



A MONTHLY JOURNAL DEVOTED TO THE ELEVATOR AND GRAIN INTERESTS.

PUBLISHED BY
MITCHELL BROS. COMPANY
(INCORPORATED).

VOL. XXVI.

CHICAGO, ILLINOIS, OCTOBER 15, 1907.

No. 4. { ONE DOLLAR PER ANNUM,
SINGLE COPY, TEN CENTS.

NEW BARLEY CLEANER.

A new barley cleaning house and storage bins have just been completed for the Anheuser-Busch Brewing Association at St. Louis by James Stewart & Co. of Chicago. It is a modern house in every respect and is as handsome as it will be a serviceable addition to the company's immense brewing plant.

The cleaning house is 51x100 feet and seven stories in height. It is of brick construction, fireproof, and equipped with a line of S. Howes Co. Cleaners.

The storage bins number twenty-one. They are built of concrete, reinforced by steel rods and faced with brick. In size they are 11 feet and 9 inches in diameter, with eighteen interspace bins. A screw conveyor at both top and bottom of the tanks carries the grain from the receiving and cleaning house and from the bins.

Built as it is of pressed brick and ornamented with terra cotta, the Anheuser-Busch Brewing Association has one of the handsomest and most expensive elevators that has ever been built. It is the culmination of their four types of elevators. The first was built of a combination of wood, brick and steel. The second was all steel and the third was of tile. These represented what were considered the best types of construction for grain storage at the time they were built. Their present house represents what the Association considers the best type of elevator to-day. It is regarded as the best form of construction, not alone because fire-

proof and embodying stability of construction, but because of its exceptional qualifications for the perfect preservation of the grain. Architecturally, too, the building is a striking addition to the ensemble of the great plant.

THE CORN EXPOSITION.

The illustration on the following page tells the story of the National Corn Exposition at Chicago more forcibly than any words of description. Large

as have been the exhibits of corn at the recent world's fairs, those at Chicago and St. Louis more particularly, the amount of good corn shown on these tables is twice as great, said C. A. Shamel, general manager, "as ever was shown in any previous exhibition in the history of the world. Experts, the best posted corn men in the country, tell me also that it is the finest corn they have ever seen."

Twenty-four states were represented on the tables, and every kind of corn was shown that is grown in this country, and from the Field Columbian Museum, were shown three ears of corn that were grown by the Cliff Dwellers and the Indians of Peru, how many hundreds or thousands of years ago?

The Exposition was opened on the evening of October 5, with a ceremonial of music and tableau in imitation of the ancient classic pagan worship of Ceres, a statue of the Goddess of Plenty being erected in a temple dedicated to her. The literary exercises were opened by a prayer by Dr. Frank Gunsaulus, followed by addresses by H. N. Higinbotham, Alderman B. W. Snow, Chas. A. Stevens of the Association of Commerce, Hon. Clark E. Carr and A. D. Shamel of the Agricultural Department.

During the week following, daily sessions of the Corn Congress were held, at which addresses were made on corn,



NEW BARLEY CLEANING HOUSE, ANHEUSER-BUSCH BREWING ASSOCIATION,
James Stewart & Co., Chicago, Engineers and Contractors.

corn breeding, corn growing, etc., among the more distinguished of the speakers being Mr. Garton, of the famous Garton Plant Breeding Farm of England.

On Thursday evening, October 11, an organization known as the Corn Growers' National Association was formed, the officers of which are as follows:

President—Eugene D. Funk, Shirley, Ill.

Secretary-Treasurer—J. W. Jones, Ames, Iowa.

Executive Committee—Professor P. G. Holden,

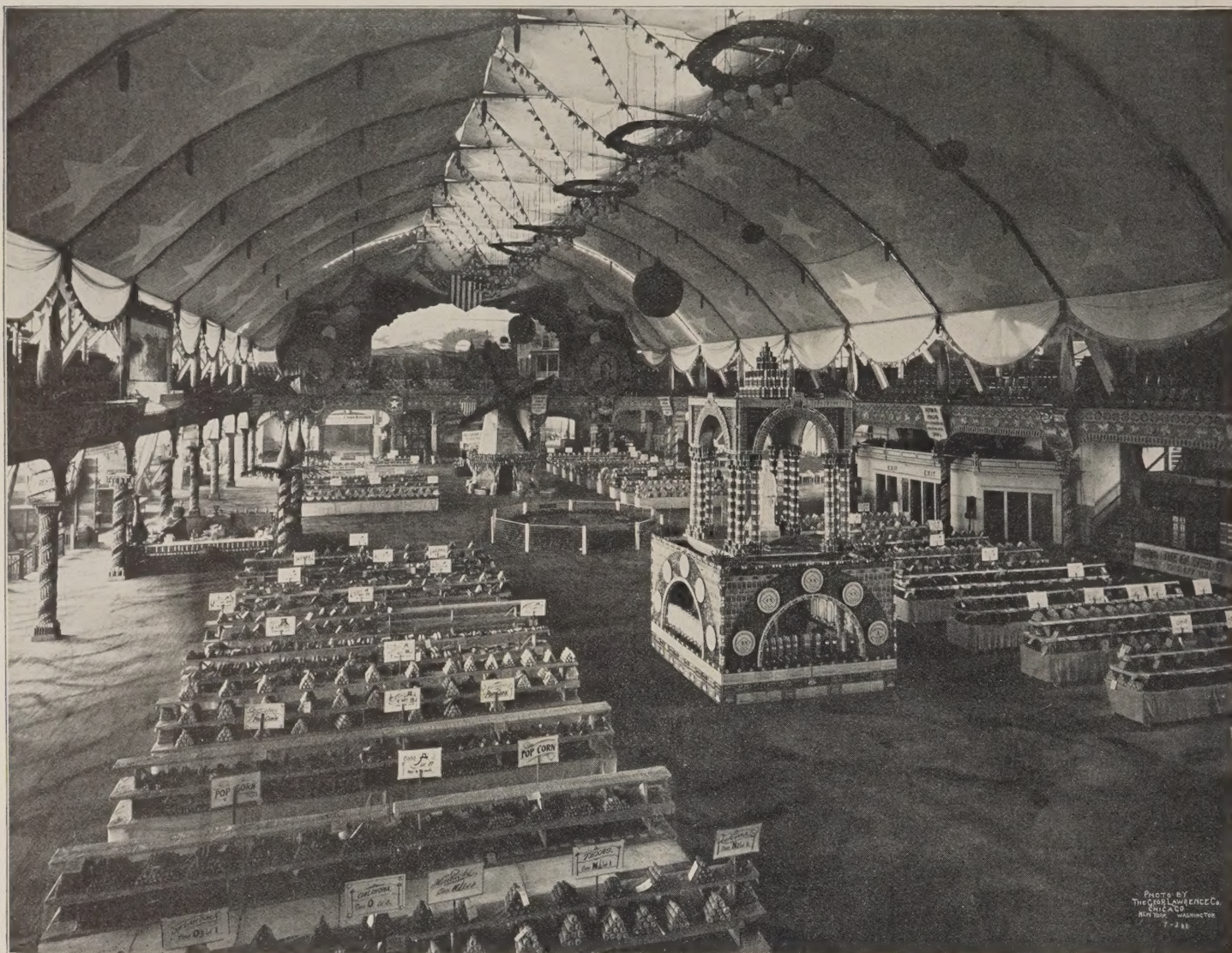
erally known and appreciated by the poor, who for one thing might make their own sausage with cornmeal instead of paying meat prices for cornmeal when buying sausages and meat "puddings" of the butchers.

The attendance of farmers during the daytime was liberal, but in the evening the number present was rather small and composed mainly of city people.

The most important of the prizes awarded were the Texas farms, valued at \$7,500 each, to L. B.

NEW INTERPRETATION OF CROP REPORTS.

By direction of the Committee on Information and Statistics of the New York Produce Exchange, a radical change has been made in the method of expressing crop condition reports, officially issued, in quantities. While, in the nature of things, no method admits of absolute accuracy, the grain trade insists upon some expression more easily understood than a statement of average growth



VIEW OF THE COLISEUM, CHICAGO, SHOWING THE EXHIBITS OF THE CORN EXPOSITION, JUST BEFORE THE FORMAL OPENING.

Iowa Agricultural College; Professor E. G. Montgomery, Nebraska State College of Agriculture, and officials of other corn growers' associations in the several states.

The objects of this Association are set forth as follows: To encourage the improvement of corn by breeding; to disseminate information regarding the best methods of soil culture and farm management for corn; to encourage the holding of a national corn exposition annually; to stimulate interest in corn culture in undeveloped territory; to unify methods and standards of corn judging so far as possible; to secure uniform classification for corn exhibits and rules governing exhibits; to encourage the development and use of corn products; to open up home and foreign markets through education regarding the use of Indian corn and corn products as food for man and beast.

Another feature of the Exposition was the corn kitchen, in charge of Mrs. Elizabeth O. Hiller, who demonstrated and lectured on corn as an article of food. "More than 200 distinct dishes, all palatable, may be made from corn, and at the cost of only a few cents each," she said. It is a matter of regret that the value of corn as a food is not more gen-

erally known and appreciated by the poor, who for one thing might make their own sausage with cornmeal instead of paying meat prices for cornmeal when buying sausages and meat "puddings" of the butchers.

The lands are not improved, and the winner of each must agree to occupy it within the next year and remain on it for two years.

The winners of the three prizes were: Young Bros., Athens, Ill., for the best ten ears of yellow corn in the Iowa and Nebraska group; J. E. Mathney, Miami, Mo., best ten ears yellow corn in the Wisconsin, South Dakota and Minnesota group.

A team of five students from the State Agricultural College of Ames, Iowa, won the \$200 prize in the judging contest. The students were coached by Professor M. L. Bowan of the department of farm crops. This was the same team that won a \$1,650 trophy for judging at an exposition in Iowa several months ago. The team was composed of M. McDonald, I. Hadley, H. Phillips, R. Phillips and M. F. Patterson, and stood fifteen points higher than the Kansas State College, its nearest competitor.

and appearance as expressed by the government as "condition."

The Department of Agriculture has no fixed quality in bushels of grain per acre for a par of condition; therefore, it has been necessary for the statisticians throughout the country to establish their own basis and figure accordingly. For twenty years the method used in figuring acreage and condition into bushels on the Produce Exchange has been to take the average value in bushels per acre at harvest, of a condition of 100 for a series of years, and then figure from that the yield per acre of the government's "condition" on each recurring month. When the yield per acre is thus established it is readily applied to the government's official report of total acreage.

In the minds of the present committee, consisting of Messrs. W. D. McCord, chairman; Oscar K. Lyle, William H. Trafton, Charles H. Warner and T. Sloat Young, a better formula of figuring is the following, which was applied to the September report and will be used in future. Take the average condition of the growing crop for a five-year period by months, instead of the annual harvest, and figure therefrom in the same way as the "at

harvest" figures have heretofore been applied.

For the first time this method, as already noted, was used on the 11th inst. for September. But the change shown was necessarily slight, as the harvest season is virtually here. The new basis works out 32.3-10 bushels per acre as the average of five September "condition" reports, as against 32.6-10 bushels on the "at harvest" basis. On the new basis a yield of 2,540,000,000 bushels of corn was shown, while if figured on the old a yield of 2,560,000,000 would have been shown.

In explaining the advantages of the Exchange's new method of figuring, Mr. Oscar K. Lyle, of T. A. McIntyre & Co., a member of the Committee on Information and Statistics of the Produce Exchange, said:

"The abandoned method was under just criticism in that it made no recognition of the declines in the several months to harvest and determined a par at harvest only. In winter wheat the change in acreage declared each May was entirely ignored in the figuring of the probable result from conditions given in December and April. In the change, each month is to be treated separately and closer approximations will be arrived at. A letter addressed to John Hyde, when in office as Statistician of the Department of Agriculture at Washington, brought in reply the following:

"It has always been the contention of the Department that crop conditions as published from time to time during the growing season admit of no expression in bushels. I entirely agree with you that if any approximations are made from them the only fair method is in a comparison of the condition of each month given with the conditions and resultant yields in like months in the past: April with April, May with May, etc."

"In explanation, taking winter wheat the past five years, we find 160,525,200 acres sown and but 145,880,518 acres harvested. The abandoned area was 14,644,682 acres. The yield per acre on sown acreage was 12.87 bushels and from harvested acreage 14.155 bushels. April conditions are on the sown area and in five years have averaged 86.65—a par from the yield of 12.87 bushels and this average condition is 14.85 bushels.

"The April condition in 1907 of 89.9 suggested 13.35 bushels, and applied to the same area of 31,665,000 acres a crop of 422,728,900 bushels. The method abandoned declared 493,974,000 bushels. The latest official indication was for 409,500,000 bushels.

"In May the condition of 82.9 was given on 28,132,000 acres remaining. The suggestion from May conditions and resultant yields in past five years of 13.68 bushels per acre was for a crop of 385,000,000 bushels. The trade expectation is that on revision of the preliminary estimate this measurement of the winter wheat crop will be near the fact. In five years the conditions have averaged for April 86.65 on sown area, and May 85.8, June 80.84 and July 80.56 on the acres remaining after expressed abandonments.

"The change will do away with those varying estimates that puzzled traders in the past who accepted the figurings of others rather than indulge in a little personal arithmetic. It is natural if one wished to determine a crop from acreage and condition given for any month to revert to past seasons and see what results followed conditions in like months in the past. Five seasons are best for use and all sufficient for a proper approximation. What pertains to wheat is applicable to the other grains."

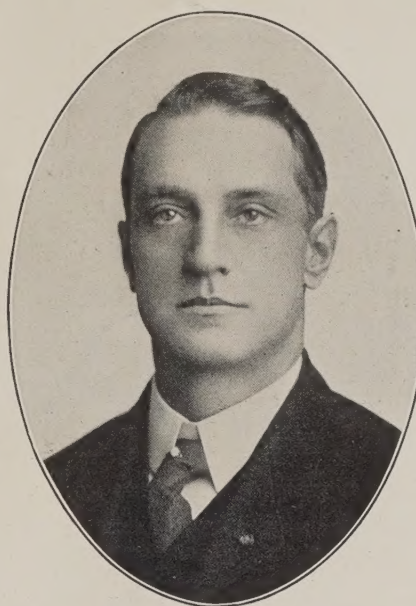
The question of making the change just accomplished came before the Committee on Information and Statistics six years ago, and at that time was voted down. Statistician Brown, since deceased, who originated the method in vogue for so many years, was not in favor of the change to the monthly basis of figuring, stating that in his opinion the Exchange was not justified in forecasting the future, and that more accurate figures could be obtained by taking the outturn of the harvest as a basis.

It is impossible to say at this time just what the attitude of the trade is toward the change; if a trial during the growing months shows that it does not meet with general approval, then a protest will be in order.—New York Journal of Commerce.

CLARENCE A. BROWN.

The self-made man, as the term is used generally in America, is perennial; nor is he a local product, although in the newer West, with its untouched, or, at least, its unexhausted, resources, he is naturally a more frequent figure, as, indeed, for the same reasons, the self-made man is looked for as a product of the new world rather than of the old. With lavish wealth awaiting development, with no traditions of social conventions to enmesh one, the man of educated intelligence and energy in America has only to reach out and take and make his own.

Thrown on his own resources by the death of his father, Clarence A. Brown, before he was seventeen years old, was brought face to face with the problem of self-support and education. He



CLARENCE A. BROWN.

was a native of Elmira, N. Y., where he obtained a common school education. When the call of the West came, as to the young it always does come, he yielded, and in 1880 came West, finding after some wandering a permanent home in Minneapolis in 1882.

His first employment in the grain business was with G. W. Van Dusen & Co. in 1884; but after three years with them he went to the St. Anthony & Dakota Elevator Co. That was just twenty years ago. After four years of apprenticeship, so to say, with the company, he entered the directory and became part of the actual management; and in the past sixteen years he has been director, secretary, assistant general manager, and upon the death of P. B. Smith, noted in our last issue, Mr. Brown succeeded that distinguished Minneapolisite to the office of general manager. The company operates 150 country elevators, with a combined capacity of 5,000,000 bushels.

Crop reports should have uniform standard. New York Produce Exchange has changed their system of estimating the government reports. They will compare with the same month for a series of years rather than the crop at harvest time. Some figure wheat on basis of seventeen and half bushels per acre as par. This has not been reached in late years. Why not have the government arrive at a fair basis and give an estimate in bushels each month? That would be more satisfactory, and a step forward.—King & Co., Toledo.

[For the "American Elevator and Grain Trade."]

INJURY BY SHIFTING A BELT.

BY J. L. ROSENBERGER,

A Member of the Chicago and Cook County Bar.

A helper in a grain elevator, while attempting to shift a belt by using his hand, had his arm drawn between the belt and the pulley and thereby broken. He brought an action to recover damages for his injuries on the ground that they were caused by the negligence of the elevator company. The trial court, at the close of the evidence, on motion of the defendant, directed a verdict for the defendant company. The Supreme Court of Minnesota holds, however (Hahn vs. Plymouth Elevator Company, 111 Northwestern Reporter, 841), that the evidence was sufficient to take the case to the jury upon the questions of the defendant's negligence and of the plaintiff's contributory negligence, and also on the question whether he assumed the risk of shifting the belt by hand; so that the order of the trial court denying the plaintiff's motion for a new trial must be reversed and a new trial granted.

The Supreme Court says that the evidence in this case tended to show that on August 16, 1905, the plaintiff was employed by the defendant as an assistant in its elevator; that he was then 30 years old; that his occupation had been that of a laborer working on a farm, in a cement factory, and at times around thrashing machines; but that he had had no experience with machinery, such as shafts, belts and pulleys, nor did he know how belts should be taken off or put on pulleys when in motion; that the defendant, about October 7, set up and attached a corn sheller which was operated by means of a countershaft, belts and pulleys, connecting it with the main shaft, the pulleys being 3½ feet apart, over which the belt was drawn; that a belt shifter was attached to the machinery on October 27, but did not work and was repaired about November 6, the day the plaintiff took a vacation until November 20.

The plaintiff also testified to the effect that the superintendent of the elevator told him how to throw the belt off when in motion. They climbed on top of the clipper, and the superintendent ran his hand between the upper and lower part of the belt—that is, inside of the belt—and pulled it over onto the loose pulley, and then he told the plaintiff that that was the way he would have to take the belt off until a lever was provided; that he (the plaintiff) thereafter took the belt off in that way whenever he was told to shift the belt, and that he did not know of any other way of throwing the belt except as told; that when he returned to his work on November 20 he was told to throw the belt, and he immediately climbed onto the clipper, put his hand between the belt, took hold of the top part of it on the under side, and tried to pull it off in the same manner as he had done before, when his arm was drawn between the belt and pulley; that at that time he did not realize that there was any danger in shifting the belt by hand; that when he went out to throw the belt he did not try the belt shifter, which was in place, to see whether it would work or not and did not pay any attention to it, but climbed on top of the clipper, as he had been accustomed to do. It did not appear from the evidence that he was told on his return that the belt shifter had been repaired. The superintendent testified that he never told or showed the plaintiff how to shift the belt by hand, but admitted that he directed him to throw the belt.

The question whether or not the plaintiff was guilty, as a matter of law, of negligence in attempting to shift the belt in the manner he did, the Supreme Court goes on to say, must be determined largely from a consideration of his own testimony, taking the most favorable view of it for him which was fairly permissible; for its credibility was a question for the jury. So, considering this testimony, the question was whether, under all circumstances disclosed, he failed to exercise ordinary

care in attempting to throw the belt. If there was any fair doubt as to the question, it was one for the jury. Ordinary care is a relative term, and has reference to the circumstances of each particular case. The act of the plaintiff was to be judged, not from the standpoint of one versed in the law of motion, or by the testimony of experts, but from his point of view, experience, and what he had been told by the superintendent and the object lesson he had given him as to the shifting by hand of a moving belt. It seems quite clear that reasonable minds may fairly draw different conclusions from the evidence relating to the act of the plaintiff in question. The conclusion which this court has reached, after an attentive consideration of the evidence, is that the question of the plaintiff's contributory negligence was one of fact for the jury.

The court is also of the opinion that the evidence did not show, as a matter of law, that the plaintiff assumed the risk of shifting the belt by hand; for it was not clear from his testimony that he knew and appreciated the danger to which the doing of the act exposed him, or that in the exercise of ordinary care he ought so to have known and appreciated it, in view of the instructions given to him. This was also a question of fact for the jury.

CURING MICHIGAN BEANS.

The almost unprecedented weather which prevailed during September threatened to ruin a very large part of the bean crop of Michigan, especially if it continues longer, writes G. F. Allmendinger of Ann Arbor to the Detroit News of September 29. The crop last year amounted to more than 5,500,000 bushels; the crop this year is probably of equal extent. These beans are worth to-day, as they come from the farmer, \$1.65, at least, for the best grades; at this rate the crop of the state has a value of approximately \$9,000,000.

The weather conditions being so unusual that if this crop be saved unusual means must be taken for its preservation; and as the amount involved is so worthy of special effort, this letter is written with a view of making one or two suggestions for the care of the crop.

On almost every farm there is shed room and loft room which could be used in an emergency for handling part of the beans in the straw. They must be repeatedly turned and on pleasant days given the full benefit of the sun. If the farmers would use this space to the utmost a great many thousand bushels may be saved.

In almost every town in the state there are one or more apple evaporators; because of the failure of the apple crop these are not in use this year. Where these evaporators are in the form of kilns they could be used for the purpose of drying beans in the straw. A kiln would hold a wagonload of beans in the straw. Frequently there are six or eight of these kilns in a group; in this case it would take but a few hours to care for the products of a large farm, when the kilns could be used to care for still other bean crops. One caution would be necessary, the heat applied must not be extreme. The farmers of the state may be somewhat slow to start off in a new method of curing this crop; but the writer is certain that this method is entirely feasible, and that large amounts of the beans of the state could be quickly and thoroughly cured.

The amount realized from the ball game between teams from the Minneapolis Chamber of Commerce and the Chicago Board of Trade was \$2,100, the sum being divided between seventeen Minneapolis charities.

The first vessel to leave Tacoma with a cargo of new wheat was the Japanese steamer Kaifuku Maru, which loaded for the Orient. The first of the fleet of sailing vessels to load wheat this season was the French bark Marguerite Molinos. The vessel took a cargo for Balfour, Guthrie & Co. to the United Kingdom.

J. E. WING & BROS.

More attention is paid now to the gathering, curing and care of seeds of all sorts than ever before, the importance of sound seed being understood now as never hitherto popularly realized. A seed house, therefore, has come to be something more than a storeroom and a sales office; rather it is quite a complicated institution, in which the naturally defective reproductive processes of nature are made perfect, so far as the preservation of the seed is concerned, and any tendencies toward atavism replaced by the processes looking to the higher development of typical products by selection.

The premises illustrated, those of the J. E. Wing & Bros.' Seed Co. at Mechanicsburg, Ohio, is 30x48 ft. on the ground and 28 ft. to the eaves. The basement will be used for the storage of seed corn; and a hot air pipe from the furnace in the office adjoining runs through this part of the building to maintain a proper temperature and to dry the air. In the basement there is also



J. E. WING & BROS.' SEED HOUSE.

a germinating room, which is heated by the same furnace and where a germinator, exactly similar to that used by Funk Bros. of Illinois, is used to test all seeds for their growing quality. This germinator will be of a size to test several thousand samples simultaneously.

The second floor is the working floor of the house. Here are located the motor, line shaft, Clipper Cleaner, a pair of warehouse scales and a sewing machine for closing filled bags. There are three stands of elevators, No. 1 running from the basement floor to the top of the building and discharging into either of the five bins and used principally to clear the receiving hopper; while elevator No. 2 runs from the basement to the second floor only to feed the cleaner. It is fed from either bin. Elevator No. 3 will be used exclusively for elevating the cleaned grain, or seed, after it has been through the cleaner. This elevator also discharges into either of the five bins.

The building has five floors; and although the upper floors have only a moderate amount of room, owing to the presence of elevators, spouts, etc., these floors will be utilized for the storage of filled bags.

The warehouse scales will be used mainly for weighing received grain or seed from the cars.

On the north side of the building is a 400-lb. man lift, which will take the place of a stairway. As seen in the picture, this lift is built practically outside the building, and is well separated by a plaster wall from the structure of the building itself as a matter of precaution against its becoming a force-air shaft in case of fire.

The building has a slate roof; has plaster outside covering, and is well supplied with fire protection apparatus.

The Kansas City Southern and the M., K. & T.

have granted elevation allowances to Atchison elevators for grain out of that market over the Burlington. Roads heretofore refused to grant elevator allowances to points not entered by their own rails, but the concession was obtained by the new Board of Trade. Neither the K. C. S. nor the M., K. & T. enters Atchison, but each gets a large amount of business from that point, which is turned over to them at Kansas City.

UNIFORM BILL OF LADING.

C. G. Hutcheson, assistant cashier of the First National Bank of Kansas City, referring recently to the proposed "uniform bill of lading" as a matter that would be considered by the American Bankers' Association at the annual meeting at Atlantic City, said:

The wonderful growth and development of the commerce of our nation are evidenced by the increased demand upon every branch of business and bring to light and magnify any flaw or defect in the smallest detail of our daily transactions.

Take, for instance, the bill of lading which has become such a potent factor in the "movement of our crops," a familiar phrase at this time of the year. Safe to say, all of the agricultural products marketed, amounting to millions of dollars annually, are shipped under bills of lading, and almost all under what is known as the shipper's order-bill of lading attached to drafts payable on demand or upon arrival of goods, on which value is advanced by banker and merchant while the goods are in transit or being assembled in suitable quantities for export or manufacture.

The bill of lading originally was issued by the carrier as a memorandum, or receipt, to the shipper for goods to be conveyed to destination. As soon as traffic increased the shippers desired to have the goods carried under their own orders and subject to control, so they might obtain advances on goods in transit; and a clause was inserted in the bill of lading to this effect, and it has come to be understood that this shipper's order-bill of lading is the obligation of the carrier for the goods described, and may be transferred from one party to another, the same as a promissory note or other negotiable instrument.

This understanding is the result of gradual growth of business practice and is not borne out by the laws on the statute books of the various states. In fact, these laws are the reverse of uniform, and the decisions of courts in the different states show quite as wide range of difference. Shippers and carriers alike realize this, and have held joint meetings with the Interstate Commerce Commission and a uniform bill of lading will become effective under the order early in the new year.

This will be quite a help to the business man of this country, but the remedy will not be complete, as the laws of the different states will continue to differ, and while the commission on uniform state laws has and is considering this matter and a favorable result is hoped for ultimately, the great majority of order-bills of lading are of an interstate nature and congressional action must, therefore, be invoked; and this is to be done the coming session by proposed amendments to the rate bill of 1906.

Every banker or merchant advancing value upon bills of lading must now look to the standing and character of the customer or shipper rather than to any supposed security in the bill of lading; and this is where public interest enters into the proposition of the American Bankers' Association. Naturally, any improvement in the facility or economy of marketing the products of our country, such as wheat, corn, oats, hay, potatoes, lumber and other products of that nature, and manufactured goods, will benefit not only banker and merchant, but also the producer and consumer as well.

On September 23 at Atlantic City, the members of the bill of lading special committee of the Bankers' Association, appointed to settle on a uniform bill of lading to be recommended to the American Bankers' Association, put the entire question up to the Interstate Commerce Commission. This body, they declared, should be held responsible by the country for the furnishing of the bills of lading, so protected by the government as to give confidence to financiers and make them safe in advancing money on paper showing crops or other commodities to be in the hands of the shippers. The present bill regulating freightage and shipping of crops was declared to be entirely inadequate.

Send us the grain news from your neighborhood.

THE GRAIN DEALERS' NATIONAL ASSOCIATION

Complete Stenographic Report of the Proceedings of the 11th Annual Convention At Cincinnati—Addresses by Governor Harris, Senator Foraker, Chairman Knapp, Secretary Stone, and Others.

The eleventh annual meeting of the Grain Dealers' National Association was held at Sinton Hotel, Cincinnati, on October 2 and 3, under the presidency of Mr. Charles England of Baltimore, Md. At the hour of nine a. m., set for the opening of the morning session, there was a good attendance of members and their ladies assembled in the convention hall, which was handsomely decorated for the occasion, the walls being festooned with the national colors and with crossed American flags. The stage was decorated with greenery, and everything was in readiness for the comfort and convenience of the officers and members.

The following is a stenographic report of the proceedings:

FIRST DAY—MORNING SESSION.

President England: We are starting early, but this is the time set, and we must go ahead as arranged. As we should not start upon any important undertaking without invoking the blessing of the Deity, you will all please rise while Rev. John L. Hill will offer prayer.

Rev. John L. Hill, pastor of the Central Christian Church of Cincinnati, offered prayer as follows:

Almighty God, our Beneficent Father: We thank Thee for the blessings with which Thou hast crowded our days; we thank Thee for all the good providences that have attended this people as a nation. The seasons come and go, and the earth has yielded her bounty and given us plenty.

We thank Thee for this assemblage of the citizens of our country who are interested in the practical welfare of the people, who have met here to-day to consider those interests that pertain to the business in which they are engaged.

We invoke Thy blessing upon all the people. Grant that both those who live in the cities and those who live in God's great country producing the food to sustain life, who mutually depend upon each other, shall altogether depend upon Thee.

Let Thy blessing be upon this state and upon its Chief Executive who is here to speak this morning, and upon all these gentlemen who have come from different parts of this great nation. May the business which brings them here, while in our city, be forwarded in mutual friendship and guided by that universal fraternity that should characterize all people in every walk of life.

Hear us and answer us. We ask it in the name of Jesus, our Lord, amen.

President England: According to the Government census reports, in 1850 the production of wheat in this country was one hundred million bushels. By the same authority, in the year 1900 the production of wheat had reached the enormous amount of six hundred and thirty-two million bushels. Thus we see that within the period of about two hundred and fifty years from the first permanent settlement of America at Jamestown our production of wheat was only one hundred million bushels annually, whilst in the succeeding fifty years it had increased practically fivefold.

In 1850 the center of wheat production was in the center of the state of Ohio. That was considered the golden era, marking a development of this country which had never been anticipated; and, although Thomas Jefferson in 1803, in his argument in favor of the Louisiana purchase, had stated that this country never should allow a foreign power to possess that territory beyond the Mississippi, because it would give access to the center of this great country, the Mississippi Valley and the West. That is just as true in these days as it was then. Nevertheless, when the time came to settle up that

vast domain it was through the gateway of Ohio that the people went first into that country. Ohio had then become the largest grain producing state, and, while she has since increased in manufactures to a most phenomenal extent, she has never lost her position as one of the great grain-producing states of this country; and therefore it seems specially fitting that we should have with us to-day the chief executive of that great state at this grain

consumption, leaving 600,000,000 for you to move at a cost of \$100,000,000. Of oats 961,904,522 bushels was the farmers' output last year, worth 32 cents per bushel. About two-thirds of this went to market, at a cost to the buyers of \$104,000,000. The barley crop was 178,916,484 bushels and was worth 42 cents per bushel. About 140,000,000 bushels of this was sold by the farmers for about \$60,000,000. Adding rye and other grains and seeds handled by the grain dealers, we can realize your importance as a factor in the movement of the products of the farm.

The producer and the consumer of grain and grain products are often far removed from each other. This involves the question of transportation in which the farmer, as well as the grain dealer, is vitally interested. In the relationship of shipper to carrier there is no phase so important as that of adequate equipment and the facilities to move agricultural and manufactured products with reasonable promptness during the season when such commodities should move. This is especially true in the movement of grain; and I wish to assure you that the Railway Commission of Ohio and I think, the railway commissions of other states are fully alive to this fact and will spare no pains and neglect no means of bettering conditions in this regard.

It is not amiss for me to say that with good soil, proper drainage, modern tillage, rotation of crops and maintaining the fertility of the soil of Ohio, we are increasing our production year by year. This is partly due to the fact that many of our local grain dealers are farmers, or in touch with farmers, and know how to raise the different kinds of grain they handle, and their influence with the farmers has a healthy effect in the production of grain of good quality.

I heartily commend the Ohio Grain Dealers' Association for successfully inaugurating and running agricultural special trains over the different lines of railroads of the state, under the auspices of the Agricultural College of the Ohio State University and the Ohio Experiment Station last winter. I hope this movement will be continued, and if so, it will bring a lasting benefit and profit to our agricultural industry in encouraging better selection of seeds, better tillage and greater production.

Allow me, in conclusion, to again welcome you to our state and wish you a profitable and harmonious session.

President England: Gentlemen, it was our expectation to have His Honor the Mayor with us at this time. He is unavoidably absent. We will not delay, but will go on with the program, howing to have him with us later.

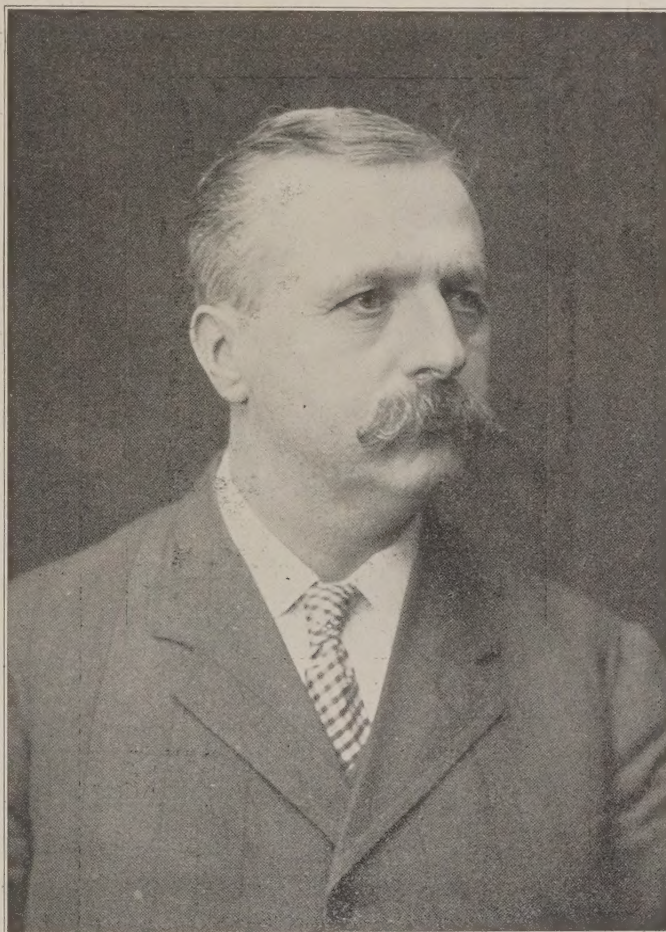
The first commercial organization chartered in this country, so far as records show, was the New York Chamber of Commerce, which obtained a charter through the colonial governor in 1770 from King George. That organization was incorporated

for general business purposes. After that there were numerous commercial organizations, all of which went out of existence; and so far as we are concerned in our special line of business, the first organization for the purpose of handling grain was incorporated in 1850—the Cincinnati Chamber of Commerce. It is, therefore, the fact that in our special business the Cincinnati Chamber of Commerce is the dean of our organizations. It is with especial pride and pleasure, therefore, gentlemen, that I introduce to you President Bennett of the Cincinnati Chamber of Commerce. (Applause.)

ADDRESS OF WELCOME.

President Bennett's address was as follows:

It is certainly a pleasure in the performance of my duty to welcome you in the name of the Chamber of Commerce of our city. The welcome is one of the heart as well as the hand, and means all that I can convey to you in its broadest sense. We are glad to have you with us, and we hope that in your deliberations you will not lose sight of the fact that we are interested as you are in uniformity of grades as well as of commercial usages, in the strictest sense. Our organization is with you in all matters



A. E. REYNOLDS, CRAWFORDSVILLE, IND.
President Grain Dealers' National Association.

dealers' meeting; and I take very great pleasure, gentlemen, in introducing to you his excellency, Governor Harris. (Applause.)

ADDRESS OF WELCOME BY HON. ANDREW L. HARRIS, GOVERNOR OF OHIO.

His excellency, the governor of Ohio, in response, said:

Mr. President and Members of the Grain Dealers' National Association:—

It is a great pleasure to me to have the privilege of welcoming your Association to the state of Ohio to hold your convention this year. As your name implies, your field of action is national. It is through the agency of the grain dealers that all of the grain produced in the United States is moved, except what is used for seed and consumed on the farm.

When we call to mind the number of bushels of grain produced in this country last year, we realize the importance of your Association and the amount of money that it takes to move our grain crops each year. The production of corn in 1906 was 2,927,417,091 bushels, and the average price was 40 cents per bushel. About one-third of this was moved by the grain dealers, requiring \$400,000,000 to start it to its final market. The production of wheat was 735,260,970, worth 67 cents per bushel. About 135,000,000 bushels were used for seed and home

of right; and you may depend upon a square deal when doing business with our membership.

We are peculiarly situated, at the gateway to the South, a position of which we are proud; and our merchants in your line are prepared to handle your grain products with advantage and satisfaction to the shipper and seller of grain.

The weighing and inspection of the Cincinnati Chamber of Commerce is in honest and careful hands; and while our grades may seem rigid to some who are accustomed to the looser methods of other markets, yet prices obtained in Cincinnati will more than make up the deficit, and the satisfaction resulting therefrom be of a character commensurate therewith.

Of course, we understand that the question of freight rates only admits of shipments from points tributary; but that section is now divided in a way that we probably do not get all the shipments here that we should, and it is to my purpose to say to you that you can take the word of a lumberman that Cincinnati is as good a market as those who are tributary to same can ship to.

I have not consulted any of my friends in the grain trade as to what I have said; and I hope if I have made any errors you will pardon me; but, gentlemen, I want you to feel at home here during your stay. Come over to our home across the street, and you will find the doors wide open and a hearty welcome to one and all of you. The building is yours while you are here, and we will always welcome you when you return, either individually or collectively. Gentlemen, I thank you. (Applause.)

President England: While the Cincinnati Chamber of Commerce is the oldest grain organization in the country, the trend of affairs has gradually carried the great production of our crops further west and has carried with it a large proportion of our business, and it seems entirely proper that you, as the representatives of the entire grain trade of the United States east of the Rocky Mountains, should have as your representative to speak in reply to the Governor and to the president of the Chamber of Commerce a man who represents the greatest grain market in the world, whose business amounts to more than any other market and who, therefore, is by right a representative of the grain trade of this country in its broadest sense. From that standpoint I take great pleasure in introducing to you Mr. George F. Stone, secretary of the Chicago Board of Trade. (Applause.)

RESPONSE ON BEHALF OF THE GRAIN TRADE

Mr. Stone on behalf of the Association responded as follows:

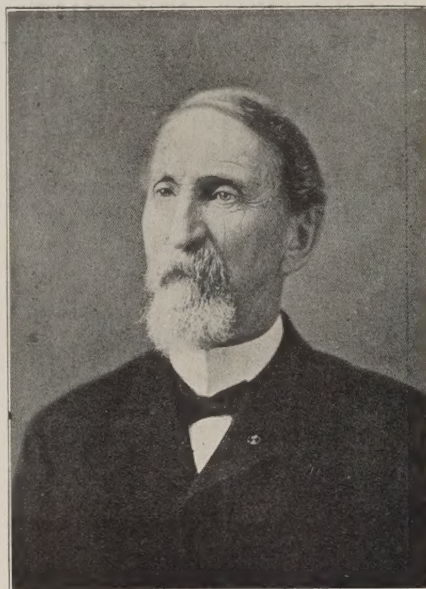
Mr. President, ladies and gentlemen: The Grain Dealers' National Association deem it a very distinguished honor that it has been welcomed upon the occasion of this, its annual meeting, in the city of Cincinnati by his Excellency, the Governor of this imperial state of Ohio. (Applause.) It is especially pleasing and appropriate that this Association has been recognized in its importance to the welfare of the country by the distinguished gentlemen who have preceded me—an association that is eminently, I might say pre-eminently, identified with those vast agricultural regions whose teeming productions constitute the basis of the nation's prosperity. It has been said, I think everywhere, especially in this country, that one born in the state of Ohio may count himself particularly fortunate, inasmuch as he enters upon his life and his career in the midst of propitious and advantageous circumstances. I was born in the old state of Massachusetts, the old Bay State, washed with the salt sea's spray and wet with the mountain dew; but if I had not been born in that old commonwealth and had had the choice of my birthplace, I should have selected this state of Ohio. (Applause.) Some are born to greatness; some achieve greatness—and some are born in Ohio! (Applause.)

Mr. President, ladies and gentlemen, I salute you in the name of Commerce. Commerce, more than anything else, promotes that intercourse of mankind, inspires emulation, excites and gratifies curiosity, softens the asperity of manners, brightens the intellect, and awakens the sympathies of the heart. A distinguished writer has said that there are no more useful members of the commonwealth than merchants; they unite mankind together in mutual intercourse of good offices; they distribute the gifts of nature, find work for the poor, wealth for the rich, and magnificence for the great. Commerce tends to do away with those prejudices which create animosity and foster dissensions between nations, it softens and polishes the manners of men and it unites them by the strongest of all ties, the desire of supplying their mutual wants. It creates in their midst an order of citizens who are bound by their own interests to promote the public tranquillity. As soon as commerce obtains a footing in any community, we observe a new genius in its laws, in its plans, in its negotiations, in its alliances and in its wars. Commerce, gentlemen, is peaceful, persuasive, reciprocal; she knocks at the doors of nations, but does not batter down those doors. She does not enter with malice or with a desire to steal or enslave, to capture or to subdue; but by the instrumentality of exchange she diffuses blessings among all peoples. It is not too much to say, I think, that the history of

commerce is the history of civilization, for commerce is the goddess who quietly and majestically leads in her train the arts, sciences, and Christianity itself.

The establishment, gentlemen, of boards of trade is a necessary incident to the pursuit of commerce; and in all commercial life, boards of trade, or chambers of commerce, or commercial organizations, by whatever name you are pleased to call them, summon the forces of individual capacity and marshal the resources of the field and of the mine. They called forth for the common good the latent forces of mind and matter. They legislate not for one community or one country but for a world-wide commerce. They plan to minimize the risks of business transactions for the economical conduct of business and for transportation rates therewith to shipper and to buyer. Their primary function is to bring the buyer and the seller together in the interest of equity; to collect and disseminate valuable economic information; and to extend to their members the benefits of co-operation in all legitimate pursuit.

This organization, the Grain Dealers' National Association, is performing these duties, not for its members as an organization, not imbued with any idea or spirit of monopoly, but seeking to diffuse the advantages of commerce among merchants, among buyers and sellers alike. It brings to the knowledge of the seller all those facts in the grain trade which enable him to place a just value upon his products. It brings those facts also to the knowledge of the buyer that he may pay all he should pay and that



HON. ANDREW L. HARRIS,
Governor of Ohio.

the circumstances warrant, and all that the knowledge of the trade justifies. It seeks to extend the public benefits, public franchises that have been created by the public for the good of the public and to distribute them without partiality and without any preference. It insists that the great interstate commerce law shall be so executed that the very least shall feel its care, while the greatest shall not be exempt from its power. (Applause.)

Convened as we are here in this annual meeting in this great state of Ohio, whose fame is not only national, but international, we cannot fail in our deliberations to be influenced by the splendid history of that state; and when, indeed, we contemplate her great name, her great deeds, when we contemplate the brilliancy of her achievements, when we contemplate the lofty and exalted standard of citizenship which she has produced, then we turn instinctively and irresistibly to what we consider in the main the source of all her greatness and of the remarkable progress and development of the entire Northwest.

I refer to that ordinance which was passed by the Congress in the old Confederation sitting in New York, on the thirteenth of July, 1787, and which has passed into history as the Ordinance of 1787. That ordinance fixed forever the character of the immigration, and the social, political and educational institutions of the people who were to inhabit this magnificent domain; then, the wilderness, but now covered by five great states teeming with a population of more than twenty million persons, or one-fourth of the population of the United States. That great instrument declared that religion, morality and knowledge being essential to good government and to happiness of mankind, public schools and the means of education shall be forever encouraged. This was the first embodiment in written constitutional law of the provisions maintaining the obligations of contract. This immortal document, in its scope and power, in its lofty and sublime purpose, in its profound and undeviating significance, is second only in its relation to the welfare of the people to the Declaration of Independence itself. The latter was a sublime announcement, flung in the face of the ages, thundering against thrones and

tyrants; the former caught up the glorious and pregnant inspiration and wrote it in letters of living light across the continent. (Applause.)

Webster, in his celebrated speech in reply to Hayne, delivered in the United States Senate in 1830, put the following encomium upon the Ordinance of 1787: "We are accustomed to praise the law-givers of antiquity; we help to perpetuate the fame of Solon and Lycurgus; but I doubt if one single law of any law-giver, ancient or modern, has produced effects more distinct, marked and lasting than the Ordinance of 1787. We see its consequences at this moment, and shall never cease to see them perhaps while the Ohio shall flow."

Judge Timothy Walker of Ohio, in an address delivered in this city of Cincinnati in 1837, said: "Upon the surpassing excellence of this ordinance no words of panegyric would be extravagant, for after the experience of fifty years it would be impossible perhaps to alter without marring it. It approaches as near to absolute perfection as anything that can be found in the legislation of mankind. In short, it is one of those specimens of sagacious forecast which even the reckless spirit of innovation would not venture to assail. The immigrant knew beforehand that that was a land of political as well as of national promise, but now, under the auspices of another Moses, he journeyed confidently toward his new Canaan."

It was as a pillar of cloud by day and a pillar of fire by night in the settlement and government and development of the northwestern states.

Gentlemen, we cannot exaggerate the importance of this ordinance, its wise provisions and its far-sightedness; nor can we extol sufficiently the men who were the authors of this ordinance, Nathan Dane and Manasseh Cutler, names indelibly inscribed upon the pages of their country's history, who saw with prophetic vision the splendid possibilities and the great potentialities of this wonderful Northwest. Their names will be handed down to future generations, as they have been handed down from former generations for admiration and respect. "Noble were they, and true; of cultured thought, with ceremony sweet, refinement pure; a type which through all hazards must endure and into various circumstance be wrought."

The great state of Ohio, what a wonderful history it has at present, of great names, of great deeds, of splendid citizenship! I recall among the multitude of names in its early history that of Ben Wade; and in later times I recall the name of that great General Sheridan, and also that matchless man in the field, who marched like a blazing sword from Atlanta to the sea—General Sherman. (Applause.) It has given to us John Sherman in the Senate; it has given to us two Chief Justices of the United States—Justice Waite and Justice Chase. It has furnished at least four presidents to the United States—Harrison and Hayes, Garfield and McKinley. (Applause.) His Excellency the Governor has just returned, I believe, from Canton, where he attended the dedication of the monument to that great man. I tell you, gentlemen, that the nation will never cease to mourn the loss of that one of the purest and wisest and most patriotic of her brilliantly gifted sons. (Applause.) The character of McKinley shines with an increasing luster as his lofty and winning personality, his unselfish aims both in public and in private life, and more and more appreciated. He was sacredly faithful to his great and grave responsibilities. He loved the nation that he nobly served and the Union that he gallantly fought to maintain; and upon every proper occasion he emphasized with a rare eloquence the incomparable and dearly bought blessings of the Union, the heroism of fathers, the gallantry of their sons, and the solemn duty of transmitting unto posterity unimpaired our priceless heritage. (Applause.) The life and character of William McKinley are among the imperishable treasures of the republic. (Applause.)

This great state of Ohio furnished over 300,000 men for the preservation of the Union, worthy descendants of an heroic ancestry, the blood of whose kindred has been poured out on many a field of glory, shedding the luster of an imperishable renown upon their ancestors' historic pages. Of that number some thirty-five or thirty-six thousand men went down to death, about seven thousand upon the battlefield, sacrificing themselves for the land and the flag they loved. They were a part of that great army who fought for the preservation of the Union, to whom all the people of this country are inexpressibly indebted for the blessings which we enjoy. I love to think of them all, not separated in spirit. The touch of the vanished hand I can almost feel. Their voices still seem to break in sweetness upon mine ears; their noble forms still live in my memory. Soldiers and sailors, heroes all, your deeds are enshrined in the nation's heart and the memory of your battles, of your wearying marches by day and by night, in storm and sunshine, heat and cold, these will be cherished as long as oceans' billows roll, while flowers in beauties bloom, and our rock-ribbed hills endure.

Gentlemen, with the aims and purposes of the Grain Dealers' National Association you have been made familiar by the speakers who have preceded me. I want to say again, on behalf of that Association, that we are deeply indebted to his Excellency the Governor and to the president of the Chamber of Commerce of this municipality for their presence and for their words of welcome. We here are assembled in this season and this annual meeting to deliberate on questions and methods having in view solely the public welfare. We cannot fail to realize the responsibility which rests upon us, upon the men and women of this generation, in

view of the great and glorious heritage which is ours; let us never be unmindful of the fact that the past, the present and the future all demand of us the most exalted citizenship, the finest and the most faithful performance of our duties, in order that we may contribute not only to the commercial and industrial welfare of the United States, but that we may so guide our hands, our heads and our hearts that we may contribute to the character of American citizenship.

Let us realize our position and the responsibilities that rest upon us. In the words of a great orator, "this lovely land, this glorious liberty, these benighted institutions, the dear projects of our fathers, are ours; ours to enjoy, ours to preserve, ours to transmit; generations past and generations to come hold us responsible for this sacred trust." (Applause.)

President England now resigned the chair tem-

porarily to First Vice-President Washer of Atchison, Kan.

Vice-President Washer: I am sure that we have all listened with a great deal of pleasure to the eloquent, the scholarly and valuable address of Secretary Stone of the Chicago Board of Trade. I believe that I am justified in behalf of you all in thanking him for his magnificent address.

I have to announce that Mayor Dempsey sends regrets at his inability to be present to deliver his address of welcome on account of his having to accompany Governor Harris to Point Pleasant. We will now have the pleasure of listening to the annual report of President England.

THE PRESIDENT'S ANNUAL REPORT

By Charles England

Usage makes it obligatory for your president to report to you regarding the affairs of the Association during the year, but the requirement of the By-laws, that reports be submitted by your standing and special committees, is a wiser provision, because upon these is imposed a very large share of the work of the Association and they can, therefore, best report to you in detail. The various committees are entitled to your thanks for the service they have rendered in handling the matters submitted to them.

Mr. Goemann.—By the resignation of former President Henry L. Goemann, which was effective February 11, 1907, there was a change in your executive, a matter which under any circumstances could not be favorable for the Association; and in this instance was especially regrettable. In these days we are apt to incline to the belief that official positions are always easily filled, but this is putting too low an estimate upon faithfulness. The loss of Mr. Goemann's official services could not be otherwise than unfortunate for the Association. Being a man of broad ideas, an earnest worker, also an ardent advocate of organization in its best sense, it is not to be supposed that the less experience of his successor would enable him to assume the responsibilities of the office in the middle of a term with the expectation of successfully carrying out his predecessor's plans. Mr. Goemann's devotion to the interests of the Association and his efforts for its uplifting when his valuable services were especially needed, are well known to the grain trade; and this Association will always remain under obligation to him for his conscientious and earnest efforts in its behalf.

Uniform Grading.—At the last meeting of this Association a resolution was adopted recommending that all markets having a public inspection be requested to name a delegate, such delegates to meet as soon as possible to make recommendation to all exchanges for a uniform standard of grain inspection. In accordance with this resolution, your officers called a meeting at Chicago, Ill., December 11, 1906, which resulted in the formation of the Uniform Grade Congress. This Congress selected J. W. McCord as its chairman, and J. F. Courcier, secretary. Detailed reports will be submitted to you by them with recommendations for your consideration. Uniformity in commercial usage is always desirable, and the grading of grain is no exception to this general rule; but uniform grading of grain is a matter of such vast importance and so far-reaching in its effect, that hasty and ill-advised action might not only result in disarrangement of business, but perhaps bring disaster to some important interests. In a matter of such vital national importance, the selfish clamorings of the last purchaser of American grain should have little influence, and if there are benefits to bestow, it is far wiser to give our producers every advantage compatible with business judgment and the general welfare of this important business. The volume of grain business in the past can only be repeated in the future by the continued co-operation of all interests, and too much consideration for the interests of the foreign buyer will undoubtedly result in the curtailment of our exports.

Association Work.—By far the most important subject for your consideration is the broadening of the work and influence of your Association, and this deals directly with its membership. It is folly to suppose that the selection of officials and committee-men, no matter how earnest and capable they may be, is all that is necessary to maintain the prominence of the Association and advance the general interests of the grain trade. Back of the working management there must be a membership which just as fully and capably represents the important business you are identified with and of sufficient numbers to insure ample revenue, not only for the maintenance of the organization, but also to devote to the important business matters which an Association of this character should deal with. In proof of this it is only necessary to refer to the experience of the past year and to say that at no time has there been more than sufficient money in your treasury to meet the present and prospective fixed expenses, and there have never been sufficient funds available for use in the furtherance of the general purposes of the Association or to obtain those business advantages which an individual cannot hope to successfully contend for and which are the chief objects of this organization. If your officers are obliged to consume all

their time in a struggle for the existence of the Association, then at the close of each year your interests, at best, will be no further advanced than in the beginning, and nothing tangible obtained in the meantime.

There is nothing of a personal criticism in this, but it is a general reflection upon all of us, that in other matters we devote more or less time to the strengthening of the means by which we seek to obtain our ends. Nevertheless, when it concerns this important organization, we are apt to go to our homes from these meetings, after obtaining all the business benefits possible, and forget its affairs until called to the next annual convention, it never occurring to us in the meantime that we have an obligation to the Association by personal effort to secure at least one new member from among our business acquaintances.

This organization was formed eleven years ago, and its inception was based upon a constituency composed of state grain associations. Afterwards direct membership was arranged whereby those residing in localities where no state associations existed were eligible, and later this plan was broadened until at present there is no restriction upon direct membership. The present scheme of dual membership unquestionably has its advantages, and no change should be made in it without the most careful and deliberate consideration; nevertheless it must be admitted that the experience of the past eleven years has not demonstrated the present arrangement to be an entire success, nor has it brought the results reasonably expected; therefore, the question naturally arises whether the present plan cannot be materially improved and such wise changes be made as will result in more effective work than this Association has been capable of in the past. Its opportunities are great, and the necessity for its work is urgent, hence this matter requires your best thought and conservative action.

Freight Rates.—The advance in eastbound grain rates, effective May 7, last, is worthy of more than passing notice. Not only were the rates on eastbound grain from Chicago increased 2 cents per hundred pounds, but there was also a rearrangement of the local and proportional grain rates. This rearrangement had the temporary effect of disorganizing certain elements of the grain business. We believe that conditions have so shaped themselves that the grain interests have now accommodated themselves to the rearrangement of local and proportional rates, and as to the advance in rates it is said that the producer has been mulcted to this amount.

Coincident with the advance referred to, a new system of making grain rates for official classification territory was put in vogue. The percentage rates heretofore in force and effect were, so far as grain rates are concerned, discarded, and the basing system inaugurated. The net result of this change in making eastbound grain rates was to disarrange the entire transportation geography of Central Freight Association territory. Points west of Pittsburg and east of the Mississippi were by this action placed in other positions (as far as the transportation rate on grain is concerned) than they had heretofore occupied; some points were placed relatively further east while others were placed at a greater distance from the Atlantic seaboard. This rearrangement, we believe, has created undue discrimination between localities and as well created unreasonable preferences between the various shipping points.

The time at which these rates were put into effect—in the spring of 1907, just at the opening of lake navigation—clearly indicates the power and ability of the railways to make such rates as they see fit without let or hindrance from any other power. It has been usual and customary to see eastbound rail rates decline with the opening of navigation, and when navigation closes we as merchants have been expecting an advance. Without interference, with consultation, without advice and apparently with an eye single to the benefits of the carriers, this advance was put into effect despite the supposed competition of water carriage upon the Great Lakes. This incident is cited to show the helplessness of the shippers in the matter of the prevention of an increase in rates. Such action rests entirely within the bosom of the carriers, and there seems to be either no one to prevent advances in rates or the merchants neglect to take the weapon, if they have one.

These matters are so clearly within the scope of

this organization that they should appeal forcibly to all of us and the Association be prepared to use its influence against changes in freight rates, whereby the grain trade generally is unfavorably affected; and the establishment of freight rates should not be based upon how much the commodity will bear without material loss of traffic to the carriers, but upon an arrangement fair alike to the grain trade and the carriers. You have among your membership men of wide business experience, also those well versed in transportation matters, and the Association should always seek their advice and co-operation; also have at its disposal ample means to protect the interests of the trade which you are supposed to represent.

Bill of Lading.—A matter of great importance to all handlers of grain is the so-called Carmack Amendment to the Rate Law which provides for the issuance of a bill of lading for the property shipped, under which the carrier shall not exempt itself from certain liabilities named therein. The Interstate Commerce Commission had a hearing in this matter on June 15, 1907, and at that time declared that being an administrative body, it was not its purpose to consider the constitutionality of the amendment, but would hear testimony as to its proper interpretation. Your Association was represented by counsel at that hearing, who asked to file a brief in your behalf and accordingly on June 28th a brief was filed. This brief is a full statement of your position in this matter and says in conclusion that "the continued failure of carriers subject to the Act to regulate commerce, as amended, to issue a receipt of bill of lading in accordance with the mandatory provision of Section 20, makes them liable for the penalties provided in Paragraph 1 of Section 10 of the same Act, and we respectfully suggest to the Commission that being authorized and required by Section 12 of the Act to execute and enforce the provisions of this Act," it institute proceedings to compel obedience to the requirements of Section 20, * * * and to make an order requiring the carriers to "conform to the regulation or practice as prescribed."

For your information we will state that the penalties your counsel refers to is a fine not to exceed five thousand dollars for each offense upon conviction thereof in any district court of the United States within the jurisdiction of which such offense was committed.

The Interstate Commerce Commission will hold a final hearing upon this matter October 15, and it is of the greatest consequence to you that this Association be strongly represented at the coming hearing, by counsel, or otherwise, especially as the form of bill of lading which the carriers have practically submitted to the Commission is not in your interests, some opinions to the contrary notwithstanding. Comparatively a few years ago there was very little discussion in regard to bills of lading and it is a question whether many shippers or receivers even read the conditions thereon; but when the carriers attempted to enforce these conditions it became evident that the interests of the shippers were imperiled and if the position of the carriers is maintained, sooner or later all of us will be subjected to serious losses by the damage and destruction of property while in the custody of the carriers, and from other causes.

Finances.—Attention is especially called to the report of your treasurer, which will be submitted to you later and will explain in detail the financial condition of the Association. It is not out of place here to again speak in no unmistakable terms regarding the importance of providing ample means for the future work of the Association. Those unfamiliar with the work of the secretary can have little appreciation of the many calls upon his time, which must be met cheerfully and promptly. It is unwise and unbusinesslike that it should be necessary for so much of his time to be consumed in obtaining funds to meet the running expenses of the Association. The credit balance on his statement is not a surplus, but represents a portion of the current year's income, which, with the remaining dues yet to be collected, will be barely sufficient to meet the fixed expenses until July 1, 1908. In all business enterprises, among the first considerations is the matter of finances, and this body of business men should so regard this matter.

In Memoriam.—It is a painful duty to record the death of your former fellow member and director, D. Hunter, whose death occurred at his home, Hamburg, Iowa, June 17, 1906, soon after the adjournment of the last convention, when he was chosen as one of your directors. Mr. Hunter was a most active and enthusiastic member of this Association, and during his life, seldom, if ever, missed a meeting. He was one of the early members and a most faithful worker, cheerfully giving his time and energy to the advancement of the Association. He soon became one of its chief advisers, therefore his presence will always be sadly missed, and especially upon this occasion.

All of which is respectfully submitted.

Vice-President Washer: We have listened to the report of President England. What disposition will you make of it?

Mr. Wayne: I will move, Mr. Chairman, that the report be received and spread upon the minutes. Carried.

Vice-President Washer: We will now listen to the report of Secretary Courcier. I sincerely trust that no one will leave the hall.

Secretary Courcier: I see, gentlemen, that there are quite a few of you who are preparing to leave the hall. I would say that it will take me but a

short time to make my report, and I sincerely wish that those of you who are here now will kindly remain and listen to what little I have to say, so that you may know something about what we are doing. I shall regard it as a mark of your especial

favor if you will do this, and I will try, if I am to be secretary again, to show my appreciation by doing a lot of hard work. If you will just sit down till I get through I shall be more than grateful to you.

ANNUAL REPORT OF SECRETARY-TREASURER

By John F. Courcier

It is with a great deal of pleasure that I submit this, my second annual report as secretary-treasurer of the Grain Dealers' National Association. Not pleasure because of any achievement of mine, but because the grain trade has proved itself able to care for its own.

The convention year now closing has presented some difficult problems for solution; and while some of these have not rounded into definite accomplishment as some of us have hoped they might, nevertheless there is not a proposition to which the Grain Dealers' National Association committed itself at its tenth annual convention that is not farther advanced to-day than it was then.

Unfortunately, early in February, we suffered the loss of President Goemann through resignation. Although seriously handicapped by unfamiliarity with the work immediately at hand, Mr. England, the first vice-president, took up the duties of president, and has ably directed the affairs of the Association to the end of another convention year.

During the year, we have sent out from my office approximately 6,000 individual letters, 20,000 circular letters and 104,000 pieces of other printed matter, and have attended seven conventions. It has also been my privilege to visit nine cities on official business, and the uniformly cordial treatment accorded in every case was evidence to me of the high esteem in which the organization which I had the honor to represent was universally held.

Hay and Grain Joint Committee.—This committee met in my office on September 1, 1906, for the purpose of considering the advisability of employing counsel to represent the committee before the Interstate Commerce Commission and other bodies of national jurisdiction, and to pass upon the legal phases of differences submitted for arbitration before passing them on to the arbitration committee, the object being to relieve the members of the committee of that part of the work, thus enabling them to apply trade customs and name their award without delay and without having to give up so much of their valuable time without pecuniary reward. The chairman, who will report to-morrow, was instructed to represent the joint committee in furthering negotiations within prescribed limits as to salary and subject to the approval of the board of directors of the National Hay Association. Mr. Goemann's report will show why the subject was dropped, and why nothing further was done with the joint committee.

Feed Trade Rules.—The chairman of the committee on feed trade rules will make a detailed report of what has been accomplished by his committee. This committee was the outgrowth of the agitation for a Feed Dealers' National Association, reported at our last annual convention, the principal advocates very kindly yielding to the importunities of quite a number of feed dealers who were members of the Grain Dealers' National Association and who believed that better results at reduced cost could be attained under the auspices of this Association than under the direct control of a new and unknown separate organization, giving them an opportunity to see what could be done. The committee is composed of men well informed on prevailing customs and needed changes; and it is, therefore, more than probable that a working basis will be established before the adjournment of this convention.

Crop Reports.—Without anticipating the report of our committee on crop reports, it may not be amiss for us to urge you to include the committee on crop reports in your list of standing committees.

We consider the crop report division of the United States Department of Agriculture to be of the greatest importance to the grain trade. Without it, how would thousands of us know where surplus grain could likely be found, or where the greatest scarcity existed, thus determining in a large measure the grain movement for the year? How many of us in the past have spent a great deal of time and money preparing to buy grain in a given territory to learn at the last moment that there either would be no surplus or that the surplus if any would be taken at a premium by a section of country heretofore supplied from elsewhere? A carefully arranged map with the information furnished by the Government crop reports noted thereon enables us to keep before us at least the approximate possibilities of the producing and consuming sections of the country and to avoid profitless preliminary investigations. Therefore, we feel that our crop reports as issued by the United States Government are indispensable, even in their present imperfect form; and that the Grain Dealers' National Association could do no better thing than carefully to study crop report methods through a standing committee and be prepared to assist, whenever possible, in improving the methods now in vogue.

Demurrage.—The chairman of your committee on demurrage has worked very hard to develop a system of car service that would be equitable to all affected, and his report, as it shall be given later, will give you an idea of how unwieldy some of these great problems are. The Association does not stand com-

mitted to any specific car service policy; therefore, all correspondence and other matter pertaining thereto received by your secretary has been referred to the chairman of the committee on demurrage.

In order to keep myself generally informed, I have read a great deal of what has been written on the subject, and, as stated upon other occasions, it is my honest conviction that if the carriers would arrange for an absolutely unrestricted interchange of equipment, at least 60 per cent of the trouble now charged to the car shortage problem would be eliminated, and the adjustment of the remaining reduced percentage would be correspondingly easy.

Transportation.—On March 27 President England directed me to appear the next day before the grain committee of the Central Traffic Association in company with the representatives of the Ohio and Indiana Grain Dealers' Associations, Ohio and Indiana Railroad Commissions, the Toledo Produce Exchange, and others, to request a postponement of the date of effectiveness of the then announced advance in grain rates. The following full text of my brief opening statement will clearly define our position:

"We are not before you to object to the primary proposition to advance your rates, producers and consumers being the factors directly at interest in that particular.

"In this connection, it is my conclusion that up to the point of inhibition, the subject of freight rates is not of direct concern to grain dealers, as long as there is no discrimination as to individuals or committees.

"We can very well understand, however, that, if freight rates were advanced to a point where the producers of a given locality should find the growing of grain to be unprofitable, thus rendering it necessary to turn their attention to other pursuits, the grain dealers would at once become intensely interested.

"The chief cause for our appearance is based upon the fact that millions of bushels of grain, the purchase price of which was predicated upon current rates of freight are now stored in elevators awaiting equipment. If the proposed advance were to become effective as scheduled, the pecuniary loss to the grain dealers located in the territory affected would be enormous; therefore, we most respectfully petition you to change the date of the effectiveness to June the first, 1907."

The resultant thirty-day postponement saved the grain trade thousands of dollars.

Legislation.—Uniform B-L circular and draft of B-L.

Supplementary to the report of the chairman of your committee on legislation, I shall merely report the detail work of our office in connection with the matter of a uniform bill of lading. By the advice of counsel and with the approval of our Executive Committee, we issued from our office on October 1, 1906, a circular relating to the initial carrier's liability and including a number of rules to be observed in the matter of bill of lading. Approximately 4,000 copies of this circular were ordered by our members at their expense, for distribution among their customers.

Immediately following the announcement that the joint committee of shippers and carriers at a meeting in Chicago on December 7, 8 and 9, 1906, had reached an agreement and that the new bill of lading would be stamped "not negotiable," chiefly because Pennsylvania and some other states had laws prohibiting negotiable bills of lading, we sent the following letter to Mr. Caldwell, of the Carrier's Committee:

"According to the press reports at hand, the new bill of lading will be stamped 'Not Negotiable,' provided the recommendations of the joint committee shall be adopted; and to this the Grain Dealers' National Association wishes to interpose an objection.

"Practically in its entirety, the car-lot grain business of this country is done on a basis that renders a negotiable bill of lading indispensable; therefore we most respectfully petition your committee to advocate the elimination of the words 'Not Negotiable' from the printed form, and to provide a special rule to conform to the laws of the states having specific statutes on the subject."

Mr. Caldwell's response, bearing date of December 31, was as follows:

"Permit me to acknowledge receipt of your courteous letter of the 29th, in regard to insertion of term 'Not Negotiable' in bill of lading.

"Have taken pleasure in passing your letter to the chairman of the bill of lading committee, asking him to bring it to the attention of that committee at the first opportunity."

Some time prior to this I prepared a draft of my version of what a bill of lading should be, but held it up, pending announcement of the report of the committee on phraseology. As soon as that committee reported, and the result was found to fall so far short of my expectations, I sent President England a copy of my recommendations.

Confirmation Blank.—As soon as the committee on confirmation blank had been appointed, I sent all

accumulated data to the chairman, whose report at this convention will mark the beginning of definite association activity in the matter of uniformity in this regard. In order that our trade rules may attain to their fullest measure of usefulness to the trade, it is necessary that a uniform avenue for their expression be inaugurated in the form of a Uniform Confirmation Blank, and to that end I would respectfully recommend an amendment to the constitution creating a standing committee on confirmations.

Trade Rules.—Owing to the time and attention claimed of the grain exchanges during the year in connection with the matter of Uniform Grades, we have not urged the consideration of the proposition to adopt our trade rules, or otherwise to assist in bringing about uniformity. Notwithstanding this, our rules have been adopted by the Atchison Board of Trade, Kansas Grain Dealers' Association.

Since our last annual convention I have sent out from my office approximately 1500 copies of the Trade Rules, upon request, in addition to those furnished our direct and affiliated members at the time of initial distribution. We have often stated, and now repeat, that if the Association were to do nothing more from year to year than to stand sponsor for its Trade Rules and their universal adoption, the amount of dues paid by our members would be profitably invested.

Arbitration.—Twenty-four cases have been filed for arbitration, one of which reached the committee on arbitration. In addition to this we have received eleven inquiries for instructions in the matter of filing claims for differences. The above figures disclose a marked increase in the trade's appreciation of this feature of association endeavor. We have experienced some, but very little difficulty in securing compliance with the terms of the arbitration committee's awards.

As to why a member should withhold prompt adjustment, I leave to your own imagination; but in the interest of a higher regard for such obligations, I wish to quote an extract from my report of our work at the fall meeting of the Ohio Grain Dealers' Association, last November:

"In connection with this arbitration feature, I wish to quote from the last annual report of the arbitration committee of the Texas Association: 'The committee means briefly to pay its respects to the moral degenerate, the man who, after entering upon the friendly arbitration of any dispute, under a pledge of honor to abide the result, stultifies himself and outrages all decency by failing to do it. Language does not hold a fit expression of contempt for the mongrel who repudiates the obligations of arbitration into which he has entered as a free agent. We will admit the views of the arbitration committee of the Texas Association to be a severe arraignment, but I am not disposed to modify it, and wish it were possible to place that part of the report which I have just given before every grain dealer in this country, so that no guilty ones might escape. I do not construe this as being an imputation on the grain trade as a whole, by any means, but I think you will agree that the reputation of one contract more than offsets the good influence of a hundred honorable transactions.' Time has not changed our views on this subject, and while the only troublesome cases we have had are now cleaned up, I sincerely hope there will be no more.

Under the present arrangement, the work of the arbitration committee is purely a labor of love, and the grain trade owe the members a debt of gratitude for the comprehensive, painstaking manner in which they have prepared their opinions and awards. Unlike many other arbiters, they do not merely make their awards and stop. On the contrary, they prepare a detailed statement of facts upon which their conclusions are based, thus giving the trade in general an opportunity to profit by the faults and errors of others.

Uniform Grades.—Inasmuch as I am to report later as secretary of the Uniform Grade Congress, I will not take up your time by recounting any more details than will be necessary to bring us up to the opening of the first Congress.

On August 28, 1906, at the direction of President Goemann, and in obedience to the instructions of our tenth annual convention, I issued a letter to all the principal grain exchanges and inspection departments of the United States, Pacific Coast points excepted, requesting the appointment of delegates to a proposed Uniform Grade Congress, for the purpose of formulating uniform rules for the grading of grain, to be recommended to those in authority, for adoption. I then secured twenty-five sets of rules for the grading of grain then in vogue, including the grades formulated by the Chief Inspector's National Association a few years ago, and, while preliminary arrangements for the proposed Congress were in progress, I prepared a list of comparisons. A detailed account of the inconsistencies laid bare by these comparisons has been published in most of our leading grain journals, and I, therefore, deem it unnecessary to repeat them here. In order, however, to gratify those of our members and others who have expressed a desire to see them, I brought the sheets with me and they are open to inspection at convention headquarters.

After a sufficient number of grain exchanges, boards of trade, chambers of commerce, state inspection departments and grain associations to insure a representative attendance had signified a willingness to send delegates, we issued a call to meet in Chicago, December 11, 1906. This practically brings us up to the report of the secretary of the Uniform Grade Congress, which, as previously stated, will be given later.

Membership.—The work of securing new members has been prosecuted throughout the year with as much vigor as circumstances would permit. Solicitation by mail is a very difficult thing to handle, for the reason that if you make your communications of sufficient length to cover all the reasons why non-members should give us their applications, they would not be

read by busy men; and if too much brevity is employed, the effect is correspondingly weakened. It is also a question whether too frequent solicitation might not create the impression that we were a mendicant society unable to accomplish anything of any character because of the lack of funds. Realizing all this, we have from the beginning made this special endeavor to enlist the co-operation of our members. The interest manifested by our members this year has greatly exceeded that of the last, and the results to the Association, in dollars and cents, shows a corresponding increase. The following individual members of firms represented in our membership have rendered valuable assistance, by actually securing applications since our tenth annual convention: A. G. Tyng, Peoria; Fred D. Austin, Chicago; F. L. Wallace, St. Louis; Willis F. Pubins, New York; Henry L. Goemann, Toledo; W. S. Washer, Atchison; W. C. Coffe, Kansas City; W. F. Morgan, Des Moines; L. A. Morey, New York; F. L. McLean, Buffalo; James Creighton, Chicago; James L. King, Philadelphia; Caswell E. Rose, Nashville; E. L. Rogers, Philadelphia; Fred Meyer, Toledo; S. W. Yantis, Buffalo; Chas. D. Jones, Memphis; Arthur R. Sawyers, Chicago; Willis F. Rubins, New York; Charles England, Baltimore; R. R. Kornegay, Selma, Ala.; H. Lee Early, Cincinnati; Ralph Galt, Washington. There may be, and I have no doubt there are, a great many others who have contributed to the increase in membership, but having no direct evidence of it, we were unable to include their names in the above list.

It was my privilege and pleasure to represent you at the thirteenth annual convention of the Illinois Grain Dealers' Association, in June, 1906, and while there, we succeeded in bringing about the reaffiliation of that Association. It will be understood, of course, that we did not accomplish this single handed. Because of a difference that had existed for several years, there were a great many prejudices to overcome, and this could not possibly have been accomplished without the hearty co-operation of the officers and members of the Illinois Grain Dealers' Association.

The Iowa Grain Dealers' Association at its annual meeting in July voted to reaffiliate with the National Association, subject to the discretion of the governing board. Because of some new work already in hand, the governing board, upon consideration, deemed it advisable to defer further action in the matter of affiliation until some future time when their finances would justify them in filing application.

In conducting the work of my office, I have endeavored to keep in close touch with the secretaries of the unaffiliated associations, with the result that our relations are very pleasant, and, without exception, I am indebted to them for the many courtesies shown me during the year. I sincerely hope, for the good of the grain trade, that all state associations and a greatly increased number of terminal dealers may at no distant time be united under the head of the Grain Dealers' National Association.

I take pleasure in submitting the following membership statement:

Direct and associate members reported at tenth annual meeting.....	307
Enrolled: Class "A".....	94
Class "B".....	12
Total.....	413
Out of business and resigned.....	31
Not direct and associate members.....	382
Affiliated members reported at tenth annual meeting.....	628
Increase in membership of state Association.....	50
Enrolled: Illinois Association.....	400
Oklahoma Association.....	150
Total.....	600
Less G. D. Union dissolved.....	100
Total affiliated members.....	1,128
Total present membership, all classes.....	1,510
Summary: Total present members, all classes	1,510
Total members reported at tenth annual meeting.....	935

Total increase..... 575
 Finances.—Before proceeding to our financial statement, which consists merely of a general accounting of dollars received and dollars spent, I wish to avail myself of this opportunity sincerely to express my profound appreciation of the kind consideration shown me by the officers and members of the Grain Dealers' National Association during the convention year now closing. No one can possibly appreciate more than I, how utterly helpless a secretary would be without the support of yourselves and those whom you here elect to direct the execution of your instructions. The promptness with which all matters have been handled, coupled with the sound advice, counsel and voluntary suggestions freely given, have been in a major degree responsible for whatever successes may now be to the credit of the Association:

FINANCIAL STATEMENT.—RECEIPTS:

Cash on hand.....	\$ 911.55
Direct membership dues.....	4,835.50
Sundries, itemized:	
Western Passenger Assn., refund..	7.00
Central Passenger Assn., refund..	7.00
Bill lading circular.....	1.50
Contribution, care Uniform Grades	550.00
Affiliated membership dues.....	1,371.00
Arbitration deposit.....	150.00
	\$7,838.55

DISBURSEMENTS:

Sundries, itemized:	
Report of tenth annual meeting...	\$112.65
Badges of tenth annual meeting...	25.00
M. F. Dunlap stamp account.....	10.00
Refund loan account.....	77.00
John B. Daish, legal opinion.....	100.00
Refund arbitration deposits.....	62.50
Expressage and telegrams.....	116.22
Secretary's traveling expenses.....	344.50
Printing and office expenses.....	781.29
Rent and office expense.....	385.70
Salary account.....	4,043.93
Postage.....	327.99
Cash on hand and in bank.....	1,451.77
	\$7,838.55

Mr. Rogers of Philadelphia: Mr. Chairman, I move you, sir, that the most excellent report of our secretary be received and filed, and that the recommendations therein contained be referred to the incoming governing board. After that is disposed of I have another motion to offer.

The above motion, seconded by Mr. Collins, carried, and so ordered.

Mr. Rogers: Now, Mr. Chairman, I would ask my friend, Mr. Wayne of Illinois, to permit a reconsideration of his motion accepting the report which our worthy president read to us. None of us can but admire a report of that kind; but I believe, sir, that but few of us realize the time and labor necessarily spent in preparing such a report. Our secretary mentioned in his report that certain matters were not a labor of love. I believe that the officers of this Association are sincere and that they have given away a great deal of their time for the benefit of the Association; therefore, I would ask Mr. Wayne to reconsider his motion acting on the president's report and to amend it by including the appointment of a committee of three to act on the recommendations contained in the report. I will ask Mr. Wayne to embody that in his motion, as I think he is the man to be chairman of that committee.

Mr. Wayne: I will embody what Mr. Rogers has just stated in that motion.

Mr. Rogers: I will ask the unanimous consent of the meeting to reconsider the former action and adopt the proposed amendment as a substitute.

Vice-President Washer: If there is no objection a committee of three will be appointed to consider the recommendations in President England's report. The chair hears no objections, and it is so ordered. We will now listen to the report of the executive committee, which will be presented by Mr. J. W. McCord, its chairman.

REPORT OF THE EXECUTIVE COMMITTEE.

Mr. McCord: Mr. President and members of the Association: In making a report for the executive committee I have very little to offer. The report of the secretary and treasurer has shown about all that has been done. The work of our committee has been, I may say, a continuous performance. We have been constantly in communication with each other by letter, and the secretary has been so kind as to keep us fully advised as to what has been going on and has submitted everything of any consequence to us. Our work has progressed very smoothly and it has not been an arduous task. It has been in perfect harmony. I want to say that we have, with us to-day a veteran in the ranks of our work who was in harness long before any association was organized. I want to give up my time and call upon Mr. Charles B. Murray, an old-time grain dealer.

REMARKS OF MR. CHARLES B. MURRAY, SUPERINTENDENT OF THE CINCINNATI CHAMBER OF COMMERCE.

Mr. Chairman and gentlemen: If there is anything that I can speak about I would like to be so advised. I am just as much at sea as anyone can be. However, I will say that as a member of the Cincinnati Chamber of Commerce, a Cincinnati and one closely identified in one way and another with the grain interests for a long period—for, you see, I am getting a little old—I do feel a great deal of interest personally in this assemblage, this meet-

ing, and I rejoice in the fact that it is held here in our city. I feel that the work of the Grain Dealers' National Association in recent years has accomplished a great deal toward placing the grain interests involved upon a uniform basis and a standing that is to the advantage of all. It is to the advantage of each and every section of the country. I do not know what more you can do in that way than you are doing.

I listened a few minutes ago with a great deal of satisfaction to the words of approval of the crop-reporting efforts of our national government. I have had some knowledge of that work and have been interested in one way and another in its progress, so that I have come to feel that our government service in that direction and in that field at this time is on a better and more intelligent basis for serving the interests of the country perhaps than at any earlier period.

Gentlemen, as I said at the outset, I know no reason why I should be called upon to take up your time here and on this occasion, but I thank you for listening to me and I am exceedingly glad to be with you. (Applause.)

Secretary Courcier announced that Senator Foraker would speak promptly at 2:30. Announcement of a trolley ride for the ladies was then made.

Secretary Courcier: I have to announce with a great deal of pleasure the receipt of an application from Mr. Kinney of Indianapolis and also from the Greenville Feed Company of Greenville, Ohio. These were not embodied in our report.

Vice-President Washer: I have to announce the following committees appointed by President England, viz:

Creditentials Committee—Joseph W. McCord, Columbus, Ohio; W. E. Sheldon, Jackson, Mich.; H. W. Rubins, New York; H. G. Morgan, Pittsburg; C. E. Nichols, Lowell, Ind.

Committee on Resolutions—H. S. Grimes, Portsmouth, Ohio; J. W. Sole, Bluffton, Ind.; E. L. Rogers, Philadelphia; George F. Reed, Boston; John B. Daish, Washington.

Committee on Nominations—P. E. Goodrich, Winchester, Ind.; A. C. Gale, Cincinnati; E. M. Wayne, Delavan, Ill.; Henry L. Goemann, Toledo; H. H. Bingham, Louisville; B. A. Lockwood, Des Moines; Dan Josephs, Columbus, Ga.

This concludes the order of business for the morning session, and the convention will stand adjourned until 2:30 o'clock p. m.

FIRST DAY—AFTERNOON SESSION.

The convention met pursuant to adjournment, President England in the chair.

President England: I will appoint the following auditing committee: Joseph W. McCord, Columbus, Ohio; William Rogers, Baltimore; Frederick Austin, Chicago.

Gentlemen, the report of the chairman of the Uniform Grade Congress and also of its secretary, Mr. John F. Courcier, will be made the special order of business for to-morrow morning at the opening. Next on the program is the address on "Uniform Grading from the Exporter's Point of View," by Mr. George F. Reed of Boston.

Mr. Reed: Mr. President, guests and members of the Grain Dealers' National Association: In speaking to you on the subject of the uniform grading of grain from the exporter's point of view, I shall endeavor to give you what I understand to be some of the views of the exporters with whom I am acquainted. Such a presentation will necessarily be a composite, or average, of those views, not the opinion of any one man or any two or three men; and for that reason it has been necessary to make a more concise and accurate statement than it will be possible for me to give extempore, as much that I have to say is drawn from correspondence and from interviews with various people that I have had intercourse with. I therefore crave your indulgence in listening to the report. I hope you will pardon this slight digression in introducing the subject. The speaker then had recourse to his manuscript, as follows:

UNIFORM GRADING—EXPORTER'S STANDPOINT

By George F. Reed

The export grain trade of the United States of America arose from humble beginnings. The Pilgrims in New England and the English settlers in Virginia found the Indians raising maize, or Indian corn. Captain John Smith has left an account of his trip from Jamestown to Kaegoquohtan (now Hampton, Va.), on December 10th, 1607, in which he says:

"With sixteen bushels of corn I returned towards our Forts: by the way I encountered with two Caecowes of Indians, who came aboard me, being the inhabitants of Waroskoyack, a kingdom on the south side of the river, which is in breadth five miles, and 20 miles or nearer from the mouth: With these I traded, who having but their hunting provisions, requested me to return to their Towne, where I should load my boat with Corn; and with neare thirtie bushells I returned to the Forte, the very name whereof gaue great comfort to our despairing company."

It is quite probable that the home-going ships in those early days took back small quantities of corn to English ports as a matter of curiosity; but for the first century of colonial existence there was little thought of anything but the supply of our own needs, especially in grain products.

In a monograph on the "Grain Trade of the United States," published by the Department of Commerce and Labor, it is stated:

"From the earliest period, we can find traces of an occasional movement of the cereals, or of flour, from the American Colonies, but such commerce was of no great importance. . . . During the eighteenth century a small surplus of grain was shipped, the exports consisting chiefly of wheat from the Northern and of Indian corn from the Southern states, the principal markets being found in Spain, Portugal and the West Indies."

In the same publication is a table showing that in the year of earliest record, 1790, the exports of wheat amounted to about 1,000,000 bushels, and there were exports in considerable amounts prior to that year, but in 1805 there were exported only about 18,000 bushels, and in 1822 about 4,500 bushels.

On February 10, 1820, Congress passed an act to provide for obtaining accurate statements of the foreign commerce of the United States. The report of the Senate for the fiscal year ending June 30, 1845, gives the grain exports as: Wheat, only about 400,000 bushels; Indian corn, about 840,000 bushels; rye, oats and other small grain, about 178,000 bushels. You will note how significant the amounts were even up to the middle of the last century.

It is of interest that most of the wheat went to the British American Colonies, even at that late date only 2,000 bushels being credited to England.

It is unnecessary to remind you of the magnificent expansion that has taken place in the commercial life of this country in the last fifty years, of the blessings of Providence in giving to us bountiful crops so that in many years we have had enough and to spare for all nations that have needed from our surplus.

Neither is it necessary to review before you the figures, in quantities or values, of the grain crops of the United States of recent decades; nor of the exports which we have cleared from both coasts. You are grain men, and understand fully these facts and conditions.

As the business developed, the necessity for some method of classifying and grading grain became early apparent. It is a natural law that business, like matter in motion, follows "the line of least resistance." Before the days of the railroads, the waterways were the principal arteries of commerce, and the movement of grain followed those channels. Such ports as New York, with the Hudson River, and, later, the Erie Canal, on its completion in 1825, tapping the Mohawk and Genesee Valleys, and Baltimore with her rich tributary lands on the Potomac and with the Baltimore and Ohio Canal, attracted the beginnings of the export grain trade; and after the Louisiana purchase in 1803, wheat, flour and corn went down the river by barges from the Ohio and Mississippi Valleys, and was exported from New Orleans.

The early handling of grain was by river boatmen; and it was by these men, who were at the time superintendents of transportation, that the first grading of grain was made. The inspection was of necessity cursory, and the boatman who knew rye from wheat and barley from oats was a pretty good man. In time, each port, or grain center, established its own system of inspection, subject to local control, usually by the exchanges, sometimes by the railroads, and in several instances by the state, but there has been little or no interchange co-operation, and thus far any attempt for unification of grade or federative control has been met with failure.

You will hear later the report of the last Uniform Grade Congress and are familiar with the work of similar conferences during the past five or six years. Delegates from all sections of the country interested in the growing and handling of grain have gathered at frequent intervals, and have given their time and money in endeavors to get upon common ground. The reason for this movement has not had its foundation alone in the fact that the farmers of this country are dissatisfied with the way their grain is graded, or that the Eastern buyer has found fault with the inspection at Western points, or that the foreign buyer has complained of the quality of the grain that he has received from the United States, although all these reasons have had their weight, but it has been used principally, I believe, upon the feeling of the thoughtful and far-seeing men of the trade that the time is arriving and is soon to be when our heterogeneous systems of grain inspection must be revised, made uniform, and placed upon a scientific basis.

Much, however, has yet to be learned about the grading of grain. The Agricultural Department has done, and is doing, commendable work for the grain growers and trade, in educating the farmer in the selection of seed best adapted to his soil and climate and the handling of his crops. Valuable information has been gathered from data, based on experiments in testing moisture percentages of corn, but it is felt by many in the export trade, that we have insufficient knowledge as yet, to justify the inspection of corn, for export, at least, on the percentage of moisture test. It was thought at first, after a number of public demonstrations had been made, that the millennium had been reached, and that all that was necessary was to grade corn according to the amount of water it carried, and everything would go straight.

Our Atlantic ports have been making experiments along their own lines with the moisture apparatus, and some thousands of tests have already been made; and while it is true that a large percentage of water brings corn on to the danger line and a low percentage indicates safety, it has also been found that in very many cases deterioration is due to other causes besides water, and that many samples which will test 17 to 18 per cent will carry safely, while corn carrying 12 to 13 per cent has been known to arrive out of condition.

There are many difficulties in the way of uniting the Atlantic and Gulf Ports on any system of uniform grading of grain. We are not unhopeful that in time these differences may be adjusted, but at present they seem insurmountable to some of the veterans in the trade. There are natural climatic and commercial conditions peculiar to the different ports, which render unity very difficult.

While it seems comparatively easy to arrive at a basis of uniformity on spring wheats, rye, barley, oats and other small grains, yet when we come to winter wheats, which are raised in such widely separated areas, and in such a variety of environments, and in the case of the grading of corn for export at the seaboard, through ports in latitudes many hundreds of miles apart, where the temperatures border at times on the extremes of arctic and tropical conditions, we encounter problems with which we are still wrestling.

In the germinating season, who would like to say that corn originating from Illinois common points and intended for Liverpool should be graded uniformly at, we will say, Galveston and New York, for instance, where, in the case of the Southern port, it might arrive in summer weather, be loaded into the ship, and then remain there several weeks waiting for other cargo, in their slow steamers, with a distance to Liverpool many hundreds of miles longer than the distance to Liverpool from New York; whereas the same corn might arrive in New York in cold freezing weather, be loaded into ships that are not in port over three or four days and make the voyage to Liverpool in a week—the corn on the one hand passing through the extremes of heat, and on the other through the greatest degree of favorable temperatures.

These localisms cannot be disregarded. To cite another case. Baltimore, for instance, handles a large amount of wheat from nearby sections and adjacent states, such as Pennsylvania, Virginia, West Virginia, and even North Carolina. Nearly all of this wheat contains more or less garlic; and the producers in that section do not take kindly to having their grain graded "rejected," which is otherwise of good quality.

There are also local conditions prevailing in the Southwest; and New York has ideas of her own on the subject of winter wheat. These objections, while they may not be insuperable (as a market like Baltimore could adopt Uniform Grades and still have a special grade for local wheat), still they must be considered.

At a recent gathering of Atlantic and Gulf Port exporters at Old Point Comfort, the subject of uniform grading of grain was very thoroughly discussed. The Southern ports were at that time quite urgent for some federation of interests regarding the business of inspection, while many of the Northern ports felt that there was little necessity for the radical reforms proposed, and they did not consider that the plans submitted would correct the existing evils; and the very fact that European buyers continued to send bids and to accept offers from condemned ports indicated that they apparently did not expect to obtain on such transactions grain of better quality than they had heretofore received.

I quote this from the report of one of the delegates to that conference.

Several of the Northern ports were also of the opinion that their commercial and geographical position would not permit of uniformity, they having quicker sailing ships, a shorter voyage, and a more favorable climate for corn in the germinating season than the Southern ports, as I have indicated in my previous illustration.

There was held in London, in November, 1906, a conference of United Kingdom and Continental buyers, at which representatives from twenty-eight foreign exchanges and chambers of commerce were present. The subject was "American Certificates," and many hard things were said in relation to them. Some thought that we might be coerced into submitting complaints on certificates to a foreign referendum, or a joint one, and many speakers did not appear to fully understand the real conditions prevailing here. A committee was appointed to come to this country in relation to the subject, but has not as yet visited us. We believe it would be very much to their advantage to do so, and that any representative body of fair-minded merchants from abroad would have a better idea of American inspection if they would make an impartial examination of our conditions on the spot.

As for threats from abroad that American grain will be boycotted—the foreign buyer is a merchant, and his purchasing markets are the markets of the world. He is just as keen about getting a good bargain as we all are. When Argentine and Russia will sell him cheaper than the United States, he will buy of them; when Canada can undersell us, he will buy of her; and when our prices are right, he will buy here. There is very little sentiment or prejudice about it—it is largely a question of price and quality.

It is difficult for one not having residence in the United States to get a clear understanding of local and state conditions, as related to our country as a whole. Each port having a standard, different in some degree from its neighbor, has led to some confusion in the minds of the foreign buyers as to the actual conditions prevailing here. The foreigner naturally looks for things American to be typical and homogeneous, and cannot understand how the same grain could grade one way at one port and something else at another, and is quite likely to charge to chicanery and fraud inspection which supported by its local rules would be quite justifiable.

There have been complaints from abroad of the quality of American grain, and the seaboard exporter has had his full share of trouble in standing between the seller of Western grain, on the one hand, and the receiver on the other side of the water. He is fully aware that conditions as regards the grading of grain are in no way perfect, and readily welcomes a conservative movement towards a betterment of conditions. Most American exporters are willing to join the producer and handler in a fair and impartial consideration of the whole matter, but much ill-advised action has been taken in this movement which has tended to make some indifferent to any change.

To cite an instance, one American grain trade paper circulated letters abroad reading as follows:

"European importers of American grain have experienced so much trouble in their efforts to get grain of the quality needed by their customers, the wonder is they continue to patronize any exporter who experience has proved incapable of making shipments according to contract. It is not necessary.

"The United States affords several thousand firms who operate country grain elevators and buy grain direct from the growers, hence get it before it is mixed or adulterated and can fill orders for virgin country grain promptly to meet the needs of the most exacting consumers. When you want wheat, rye, maize, oats, barley, flaxseed, clover or timothy, make your needs known to them through a card in our department."

Then follows an offer, with rates, to advertise the foreign buyer in their publication. I cannot better comment on this than by giving you an abstract of a letter from the continent, referring to the communication:

"We beg to enclose letter which we have to-day received from together with copy of this edition. We suppose that same has been sent to most of the commission merchants and buyers on this side, and the articles contained in said paper will, no doubt, do much harm and further contribute to discredit the American certificates when such things can be said by Americans themselves. We find that some of your people are advertisers in this paper, and do not understand how they can support this enterprise, which is not only discrediting the export business and the certificates, but also encouraging the European buyers to avoid the seaboard exporters, and buy from the interior merchants. We forward this letter, as we think that it may be of interest to you."

No sane exporter would attempt to start a reform in the western grading of grain by circulating letters in disparagement of the country elevator men that the farmers are selling to, and such methods tend to stay the hands of progress, rather than to hasten them.

Certainly the experience of the American meat packers in heavy shrinkage of foreign business owing to gross misrepresentation of the actual facts, resulting in injury and loss, not only to the packers, but to producers of live stock, should cause pessimists in the American grain trade to pause and ponder. For any loss of prestige abroad is bound to react on the American producer in the end.

On the other hand, I fear that there has been a disposition at times, when some unfortunate port, sinning or sinned against (we know not which), for a sister port to pose as an example of righteousness and to try and make capital out of the misfortune of another, and while it might show business enterprise on the part of an individual, it does not help American credit abroad, and beggars the main question.

There is no doubt that some warrantable complaints have been made from Europe on account of grain arriving on the other side disappointing to buyer, and in turn his customers, as these certificates are passed along. Several ports have, unfortunately, placed themselves in bad repute by too liberal construction of the grading requirements, and this, coupled with the effect of their unfavorable climatic conditions, has led (we hope only temporarily) to a loss of trade and prestige for them.

Many complaints in the form of "Round Robins," originating from European commercial bodies, have been mailed to all our seaboard ports, in many cases without specific information and very much exaggerated and not substantiated by actual facts, while at the same time attempting to attack American grain certificates from all ports without discrimination.

American certificates! With all that may be said against them, where is there a nation on earth that raises and exports grain, where there is any system as good or the standard any higher, crude as it at present may be? Even noted foreign critics of our methods have been magnanimous enough to admit this. The United Kingdom and Continent are obliged to buy from all countries but America on "Rye

terms," or "Fair average quality like sample," that is, practically, "Arrival condition guaranteed," and it is the experience of many a foreign buyer that his losses on account of the failure of the seller on "Rye terms" to protect his guarantee are far in excess of those incurred on account of the quality of American grain sold on final certificates of inspection. The fact of the matter is that when the United Kingdom and Continental buyers want our grain, they will buy it and pay the price and buy it on our certificates.

Corn, of course, is the principal source of trouble, owing to its high percentage of water and the facility with which it will go to pieces after it once gets started. Buyers on the other side know full well that corn shipped in the germinating period, even under the most favorable conditions, is at greater risk than at other periods of the year. In some seasons, several of our prominent seaboard exporters have advised their foreign correspondents not to buy corn until the danger period was over, and notwithstanding this, they have bought corn on certificates final from ports whose standards were low and then made complaint of the quality on all American certificates in general when it arrived. As is well known, by the payment of a small premium, say from $\frac{1}{2}$ to 1c a bushel, the foreigner can have the keeping quality of his corn insured until it reaches his port; but in how many cases does he avail himself of it in shipments from Atlantic ports? Seldom, if ever. Does this not show his real opinion of our certificates?

There are, however, many reasons why uniform grading of grain may be, and many signs pointing to its ultimate adoption, but on such matters we should make haste slowly and conservatism is desirable. In the consideration of any important subject, both sides should be weighed carefully and both points of view should be recognized. Many exporters can see no hope whatever of any material change from present conditions. But whatever may be our view, the subject should not be approached or considered from a purely selfish or local standpoint or handled along sectional lines, but in the broader spirit of "the greatest good to the greatest number." The idea is national in its scope and comprehension, and in the true sense of national should we deal with it, united as fellow countrymen and in the common purpose of equal justice to all.

Bills and rumors of bills have been before Congress providing for uniform federal inspection, but have been opposed by most of the trade. But, undoubtedly, unless some adequate plan is formulated and put into practice by the grain trade in the near future, government inspection, whether for good or for evil, will be ours. We are not without an example of a successful governmental inspection in that of our sister nation on the north, whose system is commendable and whose certificates are relied upon by all. But condi-

tions existing there are different from those prevailing in the United States, especially as to the variety of grades. While for us government inspection may be the ultimate solution of the problem, it perhaps cannot be considered as an immediate question at the present time.

Some exporters express themselves as of the opinion that while the western uniform grading of grain might be practicable, they believe that each seaboard port will for some time to come have to grade according to its local conditions. Possibly a solution of the problem might be, 1st, standardization of inspection with allowance for special grades to cover local conditions; 2d, a division into western and seaboard departments; 3d, a board for purposes of appeal, one member of which might be a representative of the agricultural department for scientific advice.

Mr. Rogers: I hardly know what the intention or the feeling of the convention was in regard to the paper just read by Mr. Reed, but I move you, sir, that the paper be accepted, spread upon the minutes and referred to the incoming committee on uniform inspection, if that meets with the approval of the body. (Motion second by Mr. Collins.)

President England: Gentlemen, you have heard the motion. I will say that there will be a special committee appointed to-morrow under the report of the chairman of the Uniform Grade Congress. However, I will put the motion. The motion was put and carried.

President England: Gentlemen, until recently it was generally regarded that your representatives in Congress devoted most of their time to governmental affairs; but in these days a very large proportion of the measures which are introduced into Congress bear directly upon the business interests of this country; and so it has become necessary that the representatives in the national legislature should be as well versed in business matters as upon other important questions, and I know it will be exceedingly interesting for you to hear business views expressed from the viewpoint of the national legislature by one who has had wide experience in these matters, and it gives me great pleasure to present to you Senator Foraker of Ohio.

Senator Foraker spoke as follows:

RAILROAD LEGISLATION—PAST AND FUTURE

By Senator Foraker of Ohio

Mr. Chairman and Gentlemen—It was my fortune to spend my boyhood on a farm. In that way I came to be familiar at that time with the raising, harvesting and marketing of all kinds of grain produced on the farms of southern Ohio. But that was in the day of small things. Farming was conducted then on a modest scale and in a very primitive way, as compared with the farming of this time. In consequence what I then learned about the different kinds of grain is of but little moment now, and since that boyhood period I have had no opportunity to acquire further knowledge of the subject.

I do not feel qualified, therefore, to talk to an assemblage of grain men about the qualities of grain or about the classification of grain, or the grading of grain, or the marketing of grain, except only to say that I am in hearty sympathy with all efforts along these lines to improve the grain Americans produce, not only for their own consumption, but also for export to other countries. In consequence, if you have expected me to discuss subjects of that kind I will of necessity disappoint you, and that I shall regret.

My invitation to address you did not signify what subject you desire me to discuss. Naturally, therefore, I feel free to avoid trying to talk to you along lines with which I am not familiar; and, on the other hand, to take up some thoughts with which I have at least partial acquaintance, and in which I know you have an acute interest. That is to say, you are interested in grains, in their production, in their grading, in their classification and in their marketing, and you are also interested in the transportation of grain.

We have been legislating at Washington of late years about the subject of transportation of grain, in common with all other kinds of freight. It has occurred to me that some discussion of this legislation might be appropriate and not without interest to you. I know that you are familiar, in at least a general way, with all this legislation. Nevertheless, to make more intelligent what I say it will be necessary for me to call your attention in a specific way to some of the statutes that may have been enacted.

The first of this legislation was the interstate commerce law of 1887. That statute has been repeatedly amended and some supplementary statutes have been enacted. The original statutes, with these amendatory and supplementary acts, comprise what is known as the interstate commerce laws, and they provide for the regulation of interstate commerce, including not only the transportation of freight among the states, but the supervision and regulation of the carriers by which that freight is transported.

In addition to these statutes Congress on the 23d day of July, 1890, enacted what is known as the Sherman

anti-trust law. It has been said by some of those who participated in the enactment of this legislation that it was not intended by its authors that it should apply to railroads, but the Supreme Court has held that it does apply to common carriers, as well as to every other kind of corporation, association or individual who may be engaged in interstate commerce in any capacity whatever.

It is not necessary for present purposes to set forth in a detailed way the various provisions of these several statutes. It is sufficient to say that it was the purpose of the interstate commerce legislation to prohibit all kinds of discrimination and every species of favoritism, not only as to shippers, but also as to localities, and it was the purpose of the anti-trust legislation to prohibit all kinds of agreements, combinations or conspiracies in restraint of trade or commerce among the several states or with foreign nations. All this legislation, as originally enacted, provided that there should be punishment of offenses against their provisions, not only by the imposition of heavy fines, but also by imprisonment of the individuals committing the offenses, and in some cases by a forfeiture of the property in connection with which the offense was committed.

The principal offenses were punishable under each statute with a fine of \$5,000, or imprisonment, or both, in the discretion of the court.

The interstate commerce act, as originally enacted, in this respect, stood without change until 1903, a period of 16 years. The anti-trust law in this respect has never been changed.

Under the interstate commerce law, and the acts amendatory and supplementary thereto, there were repeated efforts to enforce its remedial provisions and bring offenders to punishment. The prosecutions were, however, so few in number, especially those that were successful, that the law had but little effect in breaking up the practice of giving rebates and granting discriminations. In fact, they seemed from time to time to grow worse rather than better. This condition continued until the enactment of what is known as the Elkins law.

In the meanwhile, there were a number of civil proceedings under the anti-trust law which resulted favorably to the government, in which decisions of the most far-reaching character were announced, notably the trans-Missouri Freight Association case, decided in 1897. The question in that case was whether or not an agreement could be sustained which had been entered into by competing roads to maintain rates upon which they had agreed, which rates it was admitted were reasonable.

The two principal questions involved were, first,

whether the anti-trust law applied to railroads, and, in the second place, whether or not the language of the statute was such as to preclude in its construction the common law rule prohibiting only unreasonable restraints.

The court held that the law applied to railroads as well as to other corporations, and that the language of the statute was such as to prohibit all agreements that involved any restraint whatever, no matter how reasonable that restraint might be,—in other words, that the common law rule could not be applied. The effect of this decision was to hold that Congress had been so unreasonable in enacting this statute as to prohibit that which was reasonable.

The result of this decision was to precipitate the wonderful consolidation of railroads which we have witnessed. This was caused by the fact that if separate and distinct lines were to remain competitors, without power to make reasonable and even necessary agreements as to rates to common points and maintain them except under liability to go to the penitentiary, although made for the very purpose of avoiding rebates and discrimination, on account of which also the penitentiary stared them in the face, then the greatest if not the only safety was to be found in reducing to the minimum the number of such separate and independent lines. With the growth of consolidation there was a diminution of the number of roads engaged in competition and engaged, as a result of that competition, in the granting of rebates and discriminations; but in the aggregate there was almost as much indulgence as ever in such practices.

In the meanwhile the complaints of shippers continued to pour in upon Congress and numerous bills were introduced on the general subject. The respective committees of the two houses to which these bills were referred finally entered upon a serious investigation, not alone of the general subject of rebates and discriminations, but also and particularly of the question in what practical way could we so legislate as to break up these practices. It was as a result of this investigation and consideration of the subject that the Elkins law was finally enacted. The theory of that statute was that the inefficiency of all prior legislation was due to three principal facts. In the first place that only the representatives of the corporation and not the corporation itself were prohibited from the commission of these offenses. In the second place, all proceedings in the court of a civil nature, and all steps to set criminal proceedings in motion, were at the expense of the individual shipper, who hesitated to assume such a burden; and, in the third place, because the punishment by imprisonment was found to be so severe that it was difficult to secure testimony to support a prosecution.

The Elkins law undertook to meet these several points. In that behalf it provided that wherever an individual would be liable under the law as it had theretofore stood, from that time forward the corporation itself should also be liable. It further provided that whenever the Interstate Commerce Commission had reasonable ground to believe that rebates were being given or discriminations were being practiced, it might institute proceedings in its own name and conduct them at the expense of the government to prohibit the same and to bring the guilty parties to proper punishment. In the third place, it abolished punishment by imprisonment, but increased the punishment by fine so as to make it a minimum of \$1,000, with a maximum of \$20,000 for each offense. Although this statute was enacted February 19, 1903, there was no serious effort to enforce it on the part of the Interstate Commerce Commission or the department of justice, or the President of the United States, or anybody else, until about October, 1905, when the then attorney-general, Mr. Moody, now an associate justice of the Supreme Court, set the law in motion.

The whole country is familiar with what has followed. Both the civil and the criminal proceedings instituted under this law have been attended with the most satisfactory results to the government. Miscellaneous fines amounting to more than \$600,000 have been imposed and collected in cases of criminal prosecution, and in one case, with which all are familiar, the Standard Oil Company has been fined to the extent of \$29,240,000. The newspapers announced a day or two ago that the Standard Oil Company is about to be brought to trial again upon a number of other indictments, some in Tennessee, some in New York and some in Chicago, embracing in the aggregate perhaps as many as 2,000 counts, on each one of which the minimum fine in case of conviction will be \$1,000, and the maximum fine imposed may be \$20,000; or, speaking in round numbers, minimum of \$2,000,000, with a possible maximum of \$40,000,000, or in other words, where the law was practically inefficient and unenforceable we now have the Elkins law, which has been proved to be one of the most efficient statutes, whether considered criminally or civilly, that has ever been enacted, for these results have had the effect of stopping all these evils in so far as any legislation can have that effect. That is to say, the wisdom of Congress in making the corporation as well as individuals liable, and in providing that the Interstate Commerce Commission shall prosecute all such cases at the expense of the government, and that the imprisonment clause should be abolished and that punishments should consist of fines alone, has been abundantly vindicated. This has been universally conceded as to each of these provisions, except only that abolishing imprisonment as a part of the punishment to be inflicted in case of conviction. When the Hepburn rate bill was passed the results mentioned had not been secured, except in small part, and that provision was restored. It was restored upon the theory that the imposition of mere fines would prove inadequate to break up the abuses at which the law was directed. There has not yet been any case under the law since it was so amended. In the absence of such a test, and in view of past experience, we may well doubt whether the

restoration of the imprisonment clause will produce any beneficial effect, especially in view of the fact that when this amendment was made the law was further amended so as to provide that there should not be a conviction except upon proof that the offense was committed "knowingly." I voted to restore the imprisonment clause, but I announced in some remarks I made in support of the proposition that I doubted the wisdom of the amendment. I still have that doubt. It rests not only on our past experience with interstate commerce legislation, but also on our experience under the anti-trust law. Until now there has been no conviction under that law where imprisonment was likely to be a part of the punishment imposed. There has been much impatience on this account, accompanied with harsh criticisms as to the non-enforcement of the law in this particular by those who are making public and spectacular clamor for a sight of somebody behind the bars.

Answering charges of this character that had been made by Mr. Bryan, Secretary Taft took occasion in his speech at Columbus, August 19, to say:

"It is difficult to induce juries to convict individuals of a violation of the anti-trust law if imprisonment is to follow. In the case of the tobacco trust the government declined to accept a plea of guilty by the individual defendants, offered on condition that only the penalty of a fine be imposed, and the result was that the jury did not hesitate to stultify itself by finding the corporation guilty and acquitting the individual defendants who had personally committed the acts upon which the conviction of the corporation was based. In the early enforcement of the statute which makes unlawful, because of its evil tendencies, that which has been in the past regarded as legitimate, juries are not inclined by their verdicts to imprison individuals."

The statute which the secretary was discussing was enacted in July, 1890, and was, therefore, seventeen years old at the time he was speaking and making excuse, on the ground of "early enforcement," for the failure of the authorities to send anybody to jail for its violation.

This language of Secretary Taft would indicate that, in his opinion, the anti-trust law is less enforceable, and, therefore, less useful, on account of the imprisonment clause. He does not recommend its repeal, but that would seem to follow in the mind of everyone who is sincerely anxious for practical results. But whether that is his view or not, the record shows that it was on account of this view, and for no other reason, that the imprisonment clause of the interstate commerce law was abolished by the Elkins law.

In their testimony before the house committee, Chairman Knapp and Governor Fifer, two of the members of the Interstate Commerce Commission, spoke on this point, both strongly approving the abolition of punishment by imprisonment for violations of the interstate commerce law on the ground, to quote the exact language of Chairman Knapp, "that punishment by imprisonment, instead of being an aid, is a hindrance" in that character of cases. These witnesses based their opinions upon their official experience in endeavoring to enforce the law. As already remarked, the satisfactory results secured under the Elkins law since that change was made, coupled with the continued inability to secure any results involving punishment by imprisonment under the anti-trust law, would seem to justify the opinions of Secretary Taft and these Interstate Commerce Commissioners.

But, however that may be, I refer to the opinions of these men only because no one will question their sincerity in giving such opinions, and because these opinions, along with similar opinions from hundreds of other men just as much entitled to credence, are, or should be, a sufficient answer to the charges so frequently and recklessly made by "trust busters" and corporation destroyers that Congress, in enacting the Elkins law, was doing the bidding of a lot of railroad magnates rather than honestly and patriotically legislating to promote the public welfare.

We have not yet had much experience under the rate law. It has been in effect only a little more than a year, but our experience has been sufficient to demonstrate that it has not fully met the expectations of its friends. Already it is common talk that important changes in it must be made. It is impossible to tell at this time with certainty what amendments may be adopted. That many will be proposed and some accepted there can be little doubt. At any rate, numerous amendments have been suggested, some of which will probably receive favorable attention at the next session of Congress.

According to the newspaper reports Commissioner Prouty, in an address recently delivered at Portland, Me., expressed the opinion that there should be a separation of the legislative, judicial and executive powers which are now merged in the general authority of the commission. It has always been my contention with respect to this statute that what Commissioner Prouty thus calls attention to is a fatal defect in the law, not only because, as he suggests, it is impossible for the commission to satisfactorily discharge all the duties now conferred upon it, but also because it is clearly a violation of the constitution to thus commingle all these powers of government.

Having elaborately discussed this matter on a number of occasions, I do not care to say more about it at this time than to express congratulation that one so capable to judge as is Commissioner Prouty, and in a position as he is to command favorable attention for his criticism, has seen fit to speak on the subject. For anyone else to so criticize this statute, except someone who was a conspicuous advocate of the measure, would be not to secure fair and just consideration of the suggestion, but only to bring down on his head the slanderous accusation that he was a "reactionary," or some other kind of an enemy to that civic righteousness which characterizes the moral re-

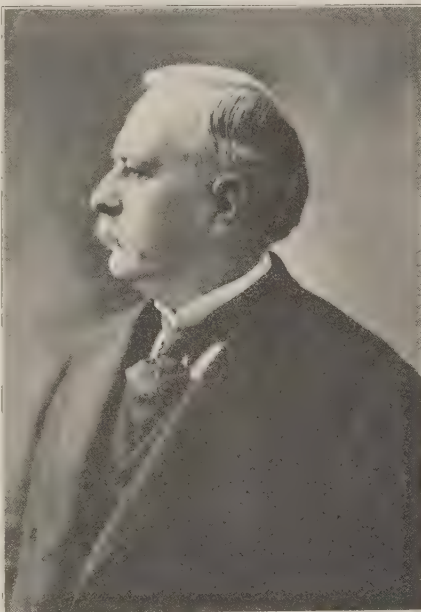
generation that is now in progress among the American people.

Considering the anti-trust law as a part of the law applicable to interstate commerce, another amendment that has been suggested affecting the legislation in which you and all other transporters of freight are interested is that the statute of July 2, 1890, known as the Sherman antitrust law, be so amended that it will prohibit only such combinations, conspiracies and agreements as are in unreasonable restraint of trade.

One of the latest suggestions of this kind came from Mr. Knapp, chairman of the Interstate Commerce Commission, when he addressed the annual meeting of the American Association of Freight Traffic Managers a few days ago. He went so far as to say, quoting his exact language as reported in the newspapers:

"I believe the most mischievous piece of legislation in the history of the country is the Sherman antitrust law as interpreted by the United States Supreme Court. It is intolerable and strikes a blow at development and progress."

These are strong words, but none too strong. It is not astonishing to me that Chairman Knapp should speak with such energy and emphasis in criticism of this statute, but it is amazing that he and everybody else did not long ago see the objections to this law he now points out. Ever since the Supreme Court held in the Trans-Missouri Freight Association case that the Sherman antitrust law prohibited that which was reasonable it has necessarily been an unreasonable statute, and in the daily operation of the railroads it has been also practically a dead letter on the statute



HON. JOSEPH B. FORAKER.

books. To have enforced that statute literally and rigidly as the Supreme Court construed it would have been to bring absolute chaos in the freight traffic business as between all competing lines, and to have augmented and multiplied a hundredfold the evils of rebates and discriminations which we have been struggling so hard to prevent. With that law literally enforced, the roads competing for freight traffic between the cities of New York and Cincinnati, together with all other competing lines, would have been offenders and liable to fine and imprisonment for every shipment they made for simply coming, no matter in what way, to a common understanding as to the rates that should be charged, and that they would uphold and maintain the same. In other words, for agreeing that they would not violate the Interstate Commerce law prohibiting rebates and discriminations, they would be liable to go to the penitentiary for violating the Sherman antitrust law.

President Roosevelt, recognizing this inconsistent and absurd state of the law, recommended more than a year ago that Congress change the law in this respect so as to authorize reasonable agreements, subject to the approval of the Interstate Commerce Commission. He repeated this recommendation in effect in his Indianapolis speech on the 30th of May last.

Secretary Taft announced his agreement with the proposition in his recent speech at Columbus, and only last Friday in an address delivered before the Bankers' Association at Atlantic City, Mr. M. E. Ingalls added his condemnation of this provision of this law and joined in the demand for its repeal or modification.

In view of all this we have a right to hope that Congress will amend the law in this particular, for surely with such recommendations from such sources there can be no question about the propriety of such legislation.

Just now the papers are informing us about six new indictments that were returned last Thursday by the federal grand jury in the California district against the Pacific Mail Steamship Company and the Southern Pacific Railroad Company.

Some idea of the heinous character of the crime charged in these indictments may be gathered from the following extract from the Associated Press statement sent out from San Francisco:

"Prior to the enforcement of the new law, and when

the former interstate law was in effect, it required a three days' notice to the Interstate Commerce Commission by any common carrier before the rate could be reduced. The Pacific Mail and the Southern Pacific and the latter's connections to Chicago repeatedly violated this provision of the old law in making rates on shipments from the Orient. Their procedure at that time was to quote any kind of a rate in the Orient in order to get business, and that when the shipment arrived at the port of San Francisco to telegraph and write the Interstate Commerce Commission giving it notice of the rate it had made in the Orient on the cargo. This was not a compliance with the three days' notice required by the law, and no doubt Special Agent Duncan had dug up a great many of these instances and presented them to the Federal Grand Jury on which the six indictments have been based.

"Notifying the Commission in the manner stated above, the Southern Pacific officials admitted at that time to the Commission that it was irregular, but that it was impossible for them and the Pacific Mail to do otherwise if they wanted to retain their share of Oriental shipments against the competitors of the Suez route and the Empress Steamship Line in connection with the Canadian Pacific Railroad. For a period of about eighteen months prior to the enforcement of the Hepburn law there was a great fluctuation in rates from the Orient on shipments, particularly of matting, to the United States.

"Rates fluctuated from day to day and even from hour to hour in getting a cargo for any given vessel. These facts at the time were laid in detail by Traffic Director J. C. Stubbs, of the Harriman Road, before the Interstate Commerce Commission. He presented the matter very strongly before it, and insisted that rates at Yokohama and Kobe and other Oriental points had to be changed frequently, because of the Suez competition and in order to get business away from the Suez steamship lines. There was not time to give the Interstate Commerce Commission notice of these changes before the cargo arrived at San Francisco."

If this statement be correct, it appears, as I understand it, that the steamship companies and the railroads with which they are connected and the shippers were all simple-minded enough to suppose, in their wickedness, that they might receive through shipments in Japan, China and other foreign countries on contracts for through rates to interior points in this country, which allowed less to the railroads than the established domestic rates from the ports of entry to the points of delivery; provided, before the shipments were transferred from the steamship companies to the railroad companies and shipments by rail actually commenced, they could give the three days' notice required by the old law and file and publish the new and reduced rates, particularly if they fully informed the Interstate Commerce Commission and in that way secured business for vessels that belonged to the American merchant marine, which, but for such reduced rates, would have been carried in foreign bottoms.

It will not be only interesting but highly instructive to watch the progress and note the results of these prosecutions, and therefrom learn the effect upon such transactions of an application of our interstate commerce law to foreign commerce.

But these prosecutions will by no means fully inform us on that subject. The unwisdom of applying our interstate commerce law to foreign commerce is not fully realized until you apply it to shipments out of the country to foreign countries. Under the law as it now stands there can be no change in rates, either to advance or reduce them, except upon 30 days' notice, and by filing and publishing the same with the Interstate Commerce Commission as under the old law, when it required three days to reduce and ten days to advance a rate. What is the effect?

The result is what might have been expected. In a general way it is shown by the following extract from an interview given out at Paris, September 6, by Mr. Clifford P. Egan, of J. A. Fay & Egan Company of Cincinnati, one of the largest export manufacturing concerns of our city.

He said, speaking of the results of an inspection of manufacturing and economic conditions in Germany: "Japan has placed orders there amounting to millions of dollars, and these Japanese orders include guns, engines, water-power machines and cranes. At every place we went we found Japanese orders for work that ought to be done in America."

What he states is due in large part to other causes, but in no small degree it is attributable to the disadvantages to which our American manufacturers are subjected by the application of the interstate commerce law to foreign commerce. The freight to be paid to the railroads for a shipment from Cincinnati or any of our great interior cities to the seaboard is so large an item in the cost of producing and delivering our manufactured products abroad that to make it a quantity that cannot be changed "from day to day and hour to hour," as business competition requires, but only upon 30 days' notice, is to give to our competitors a controlling advantage which has much to do with the millions in value of orders lodged in German shops and factories instead of with Americans.

And what is true in this respect as to manufactured products is true also in greater or less degree as to export rates on grain and every other kind of freight.

These losses are practically without any compensation, for no matter what may be the necessity for fixing rates as to our domestic commerce, or as to imports, there cannot possibly result any serious injury to any American interest if we allow rates on shipments to fill foreign orders to be made upon the flash of the cable, so as to meet the sharp competition to which our foreign competitors are constantly subjecting us. It is simply inexplicable that this great wrong to our manufacturers and farmers and to the

American merchant marine has not been long ago corrected. I hope to have the pleasure of hearing, at some time in the near future, that Chairman Knapp has added to our debt of gratitude to him for his long and faithful public services by turning his rich and forceful vocabulary upon this offender against the public welfare.

The purpose of these remarks has been to show that among the many amendments to our interstate commerce and anti-trust laws that have been proposed there are at least two that should be adopted. In the first place, we should make such a change in the anti-trust law as will apply its prohibition to only such agreements, combinations and conspiracies as are in unreasonable restraint of trade; and, in the second place, there should be an amendment that will exempt from the operation of these laws our foreign commerce. In the third place, unless we have a different experience in trying to enforce the imprisonment clause than we had prior to the passage of the Elkins law, there will probably have to be, to make these laws of equal efficiency with the Elkins law as originally enacted, another abolition of the imprisonment clause. But as to this we can wait for results and be governed thereby. At the present rate at which prosecutions are being brought we will probably not have long to wait.

You will observe that the President, Secretary Taft, Commissioner Knapp, Mr. Ingalls and hundreds of others who might be mentioned have united in recommending such an amendment of the anti-trust law as will make permissible, subject to approval by the Interstate Commerce Commission, all kinds of reasonable agreements and combinations, and that as to punishment by imprisonment for offenses against these laws our experiences, as well as the statements made by Commissioner Knapp and Governor Pifer and Secretary Taft, show that, looking to efficiency and practical results, it is of at least doubtful wisdom.

I think the time not far distant, if it be not already here, when a majority of those who properly study the subject will agree with these suggestions, and when that time comes, if it should, and the Congress learns that such action will be popular, there will be ground for hope that the independent representatives of the people will muster the requisite courage and such legislation will be enacted.

Upon that probability the business interests of the country may be cordially congratulated.

I have the same kind of hope with respect to legislation to exempt our foreign commerce from the handicap occasioned by the application to it of these laws.

I cannot quote from anybody else who has appeared as an advocate of such a proposition, but the propriety of such legislation is so manifest that time and discussion will, no doubt, bring it about.

I trust I may be pardoned for stating what I have tried to express is not new to me.

As long ago as January, 1904, I introduced a bill—S. 3937, Fifty-eighth Congress—providing for these precise amendments.

Omitting the title the following is a copy of that bill:

"Be it enacted, etc., that nothing in the act to regulate commerce approved February 4, 1887, or in the act to protect trade and commerce against unlawful restraints and monopolies, approved July 2, 1890, or in any act amendatory of either of said acts, shall hereafter apply to foreign commerce, or shall prohibit any act or any contract in restraint of trade or commerce among the several states; provided, that such a restraint be reasonable, or shall hereafter authorize imprisonment or forfeiture of property as punishment for any violation of such acts, except for perjury or contempt of court."

The bill was referred to the committee on interstate commerce, but was not pressed for consideration either in the committee or in the Senate, because just at that time, by numerous bills introduced in both houses, the whole subject was brought up for consideration, with the Hepburn railroad rate bill as the ultimate result.

I have not been able to get favorable action on any of the propositions of this bill, but instead I got for my pains a memorable assault from almost every direction for having introduced a bill which, it was charged, was in the interests of railroads, trusts, corporations, swollen fortunes, predatory wealth and everything else that was bad. This attack has been from time to time renewed on first one pretext and then another by those who appear to be either unable or unwilling to learn and state the truth; but I have an abiding faith that the waves of hysteria by which we have been engulfed are subsiding, and that the day is not far distant when confidence in the integrity of the business men of America, including even those who have been conspicuously successful, will have been so far restored as to allow reason to reassert itself with respect to legislation affecting them and our common welfare, and that ultimately justice will characterize the judgment of all fair-minded people with respect to public men.

And now a word as to the circumstances under which you meet and the future that lies immediately before you.

The grain crop of this year, if not the largest, will prove to be at least one of the largest in all our history. That means a large business for you, and other things being equal, continued prosperity for our great country. Whether other things will remain equal depends upon influences and forces we may not fully comprehend, but whether we understand them or not, we all know that amidst our indescribable blessings something is out of gear.

Notwithstanding our favorable conditions for more than a year there has been a general and almost constant decline in values. It commenced in Wall Street and for a time was confined to stocks and bonds. While so limited the rest of the country looked on with more than indifference—it is not too much to say

with undisguised pleasure. It seemed so funny to see the bears getting the better of the bulls that there was general delight in the thought that the shrinkages were mounting upwards into the hundreds of millions. Finally the billion-dollar mark was passed, but what did that matter? The big, fat bulls could stand it. It was watered stock and predatory wealth anyhow, and the sooner it was all gone and their creators in jail the better.

We were laboring under the mistake that Wall Street had no relation to anybody except only the few who traded there. But as the months passed and hundreds of millions shrank out of existence it gradually began to dawn on the average mind that these fading fortunes represented interests in all kinds of legitimate enterprises and affected hundreds of thousands of people scattered throughout the country who never engaged in any kind of stock gambling.

A year has passed and the end is not yet. The slump continues and new troubles are in sight. Lack of confidence is beginning to manifest itself and seems to be growing. The banks are uneasy and are restricting and calling loans. This lessens the volume of business. Accordingly the mills and shops and factories are reporting a marked falling off of orders. Building contracts are not so plentiful, and now at last we are told that although they have more business than ever before the railroads find their credit for some reason so far impaired that it is impossible for them to market enough securities to enable them to provide adequately such additional tracks and equipment as they absolutely require to properly handle the business of the country. What is next to happen remains to be seen.

I am optimistic enough to believe that a turn of the tide will come before we reach the stages of panic and disaster, but it must come soon or be too late to avert consequences of the most harmful character.

Only the business men of the country can turn this tide, and they can turn it only by showing confidence in each other and in our future. In that behalf it behooves them to discountenance and frown upon all kinds of pessimism, especially that which emanates from critics of the efforts of the President to enforce the laws of the country and bring offenders to justice.

Here are some sample specimens of what I referred to. I read, first, from a review of the markets of date September 27, only last Friday:

"Publications to the effect that the President's speeches would consist of another outbreak against corporations, with all sorts of new restrictions, particularly regarding the railroads, caused another outbreak of liquidation to-day, the railroads participating in the downward move as much as the industrial."

Naturally the street goes home very much depressed.

Here's another, dated September 28, last Saturday:

"A Roosevelt speech is due on Monday, and the street has made up its mind as to the character of same, knowing the President's attitude toward corporations in general. It may be just possible, however, that he has realized that the disfavor in which he finds himself with the larger interests will pretty soon spread to the laboring element, which must bear its share of the outcome of his lack of knowledge of the law. As chief executive for the people he has failed to take the constitution and law into consideration at all, simply constituting himself to judge as to which of the corporations are bad and which good."

REPORT OF COMMITTEE ON TRANSPORTATION

By H. G. Morgan

This has been a year of very unusual activity for legislators who have been called upon to participate in the efforts of the national and state governments to stem the tide of graft and favoritism that has run unchecked for years, almost without restraint, and while it is true that we still have some evil practices, such as the private car system and many other abuses, we can nevertheless point with pride to what has been accomplished and the good we may reasonably expect to follow the efforts of statesmen along the lines which the national administration is pursuing. If you remember, when we met in Chicago, over a year ago, President Fitch facetiously remarked: "They (meaning the government) are investigating everything, and should they decide to investigate the grain business, I for one would seek a more favorable climate." So searching were the investigators, so explicit the orders under which they worked, so contrary to all precedent since we became a nation, we asked of our neighbors, "Can these things be?"

To enumerate a few of the mitigated evils will take only a little time. When Mr. E. P. Bacon, a member of this body, some four or five years ago, essayed to bring to the notice of the powers that be the evils under which we as grain men especially (but the whole country in general) worked, it seemed that there was one law for the railroads (and they a law unto themselves), another law for the shippers of great estate, and still another law for the shipper of smaller degree. Since that time it has actually been disclosed that it will take the millions of many magnates to pay the fines imposed on a few individuals for the known breaches of the law.

Knowing as we do that the mysterious is greater than the obvious, a doubt arises in our minds, should the counts that might be found be brought to light, whether or not there would be enough money in the treasuries of the guilty to expiate the sins of discriminations against the interest of a suffering public, and that public working overtime to make a living on a 5 per cent basis, while privileges were granted to

All this is not only monstrous, but without precedent, for never before since the beginning of our government has the mere announcement that the President was intending to make a speech been seized upon by his critics and enemies as a cause for exciting the apprehensions of the business community. It is utterly ridiculous that they should do so now, for no matter what the President may say, our government remains; and even if he should propose what might prove harmful it could not be executed without the co-operation of the other departments of that government.

It must be remembered that it is his duty to study conditions, have opinions and make recommendations, and no matter if he should err we need not be frightened, for we do not need to adopt his views unless we approve them, and if we approve them we should find fault with ourselves rather than with him.

He will not make any recommendations in the wisdom of which he does not believe, and he will not take any steps in the exercise of the authority confided to him except only such as commend themselves to his judgment, and even those who distrust his opinions and judgments might well forbear from making such comments in view of the fact that under our system of government there comes in a short time an end of all official power and authority for presidents as well as senators and other public servants. Therefore, whatever your individual opinions may be, do not listen to those pessimistic suggestions. On the contrary, be of good cheer and go forward with confidence, for as the country is greater than any man or any official, so is the future greater than the past, and the rewards of business yet to come richer than any that have yet been gathered.

Vice President Washer: I am sure that we have all been interested in and have profited by the very able remarks that we have just heard. I move you, Mr. Chairman, that the Grain Dealers' National Association hereby extend to Senator Foraker the thanks of this body for the courtesy of his address.

The motion was seconded and carried by rising vote.

Senator Foraker: I account it one of my greatest honors to be able to recall that you received what I have said with so much evidence of appreciation. (Applause.)

President England: I desire to substitute on the committee on nominations the name of Mr. Sawyer in place of Mr. Lockwood. Now, gentlemen, the cars are ready to take you to the Zoological Garden.

Adjourned to 9:30 o'clock a. m., Thursday, October 3.

SECOND DAY—MORNING SESSION.

The convention met pursuant to adjournment, Second Vice-President Fred Mayer in the chair.

H. G. Morgan, chairman, submitted the report of the transportation committee, as follows:

The favored few who worked with several times such margin of profit, plus the special privilege. Five years ago it was a hard matter to procure a finding against the railroads that would convict them of favoritism in the supply of cars. At that time few of our members could get cars when they were scarce; to-day, the railroads not only give us our reasonable share of the cars available, but the car distributor will see to it that farmers and others applying for cars take their turn with us.

Four years ago Mr. John Daish (who was then representing our case in Washington) was called into Pennsylvania to plead the cause of a coal mine. This mining company, although properly equipped in every other way, was dependent upon the railroad for cars, and as these were not forthcoming, it simply meant the shutting down of operations. The investigation was so severe that the wrong was righted; mines were tabulated as to the number of men, the capacity, the production, the business done or in sight, and a proportionate number of cars allotted to all mines alike, according to capacity, with very much less discrimination.

Car Situation.—Business conditions at the present time are unprecedentedly good. Cars are scarce, and in a statement made by Mr. J. B. Thayer, fourth vice-president of the Pa. R. R. Co., early this month in Philadelphia, he said:

"The Pennsylvania is hauling more freight than at any other time in its history and 'the outlook is splendid for a continuation of these conditions,' for he was reliably informed that all the large industrial concerns are supplied with orders that will keep their plants running several months. The mills are only one source of prosperity of the transportation lines; the farms are another, and the traffic men watch the harvesting of crops as closely as they watch the harvest of the mills."

Mr. Thayer's report on agriculture is as good as his report on manufactures:

"The movement of perishable freight this year far

exceeds that of any other similar period. With all the vessels we operate in Chesapeake Bay and the cars available on the New York, Philadelphia & Norfolk Railroad, running along the eastern shore of Maryland, we were at times unable to handle promptly the large amount of freight offered. Farmers harvested big crops of everything they planted this year. Grain crops were a success, and there is demand for all kinds of grain in Europe."

Mr. Thayer concluded: "When the farmer has good crops, men in all other lines are prosperous. For these reasons I have the brightest hopes for the future."

Railroad Elevator.—So much for generalities. Your committee would remind you of the sale of the railroad grain elevators, and that railroad companies have further recognized the evil of giving valuable rights by sale or lease of valuable privileges along their lines. If they acquire property by right of eminent domain or by the sovereign power of the state, they now realize they cannot sublet or rent such land to a favored corporation, for a nominal rent; such property is held for the public good, as is the railroad they operate, and they must observe the rights of citizens in such holdings, and not rent at an unremunerative rate that which they have refused to rent to another at figures showing reasonable returns. Such conditions are reassuring. We would not have predicted ten years ago that passes would practically be abolished in this year of our Lord.

Commerce Laws.—We now have considerable law and many statutes; laws that go far enough for the railroads of the country, but they are laws that do not sufficiently help the individual and foster trade and commerce.

When the interstate commerce law was made effective in 1887, it did not take very long for the railroads to use the law in practice to their own immense benefit. We remember, nearly all of us, the chaos that existed and the rates that were quoted prior to that time—short haul rates higher than long hauls, and cars hauled to a city 100 miles east to get a favorable rate to a city into the West. The railroads stopped all this when the law became an enactment.

To-day we find the same condition—every courtesy that was extended by the lines over which we ship has been withdrawn; everything must be done according to published rates, and if there is no published rate, local freight rates apply until a rate has been published according to law.

What Is Needed.—What we need is a railways commission, non-political, big and powerful enough to suggest needed legislation and enforce enacted laws. We can get no better illustration than by comparing our Interstate Commerce Commission with the railways commission of Canada, which, by the way, did not have to work without precedent as our Interstate Commerce Commission was compelled to do. They had the experience of fifty years of railroad oversight in Great Britain, where nothing is done without the sanction of law; a needed siding must be passed upon and approved by the railways commission of England before the switch can be laid. The Northwestern Railroad last year built a new type of locomotive, but was forbidden to use any of them until heavier rails were laid.

No better use of our time can be suggested by your committee than to quote from an able paper by William Whyte, comparing our Commission with the railways commission of Canada.

Canadian Railway Commission.—The publicity recently accorded the affairs of several large railways in the United States as a result of the proceedings of the Interstate Commerce Commission has been the means of arousing considerable interest and diversified comment in all parts of Canada, and as a natural consequence Canadians, ever on the outlook for improvements in all things, have compared their Dominion railway act and the powers of their railway commission with the Interstate Commerce Commission. The result of the comparison is interesting indeed.

Canadian railroads are regulated by a board of three commissioners, who are appointed for life. The chairman of the board receives an annual salary of ten thousand dollars and associate members eight thousand dollars. This board is authorized to employ the services of experienced railroad men as experts in the different branches of railroad work.

The Canadian Railway Act defines the duties and powers of the directors of railways.

It can fix either maximum or absolute rates.

All freight tariffs have to be filed with and receive the approval of the Commission, which has the power to order changes in them.

No toll can be charged which unjustly discriminates between different localities.

No greater toll can be charged for a shorter than for a longer haul, unless, in the judgment of the Commission, special conditions make it necessary.

Freight tariffs are governed by a classification which must receive the approval of the board. This insures uniformity of classification.

The effect of this beneficent rate regulation on the commercial development of Canada cannot be overestimated. Consider for one moment what this protection means:

1. Equal rates for all. A guarantee that one section of the country will not be exploited to the detriment of another region equally endowed with natural resources.

2. No secret rebates. An exemplification of the "live and let live" policy. The small producer is zealously protected and is afforded an equal chance on the same basis with a wealthy corporation.

3. Government regulation of train schedules. An absolute assurance to the shipper that he can fulfill his contracts.

In short, it may be said that the board of railway commissioners has absolute control over all matters pertaining to the construction, operation and main-

tenance of railways, and, in comparison, the powers of the Interstate Commerce Commission seem dwarfed almost to insignificance.

Operation of Rate Law.—Since the last annual convention, the rate law of 1906 has been put to a test. The number of formal proceedings which have been brought before the Commission has been large, aggregating 338 cases. The Commission, in the first year after the passage of this law, rendered 91 decisions, of which 13 are matters concerning the administration of the law, the jurisdiction of the Commission, and the interpretation and construction of the statute. The Commission has handed down decisions wherein there were parties, complainant and defendant, to the number of 78, there being decisions in favor of the complainant, 39; in favor of the defendant, 37, while in two cases the complainants and defendants both won upon certain points. While the Commission has rendered in favor of shippers 39 decisions, relief has only been granted by the Commission in 19 cases, in some of which the orders have not been obeyed. Reparation was ordered by the Commission in six cases, the total amount being \$576.12.

From these figures it can be seen that the Commission is behind with its work; for while it has received something more than a complaint per day, it has not decided more than a complaint every four days. If this speed be maintained, it can easily be seen that the body now constituted to handle shippers' complaints will prove itself adequate to cope with the existing situation. It is possible that when the workings of the new law shall have reached a basis, the Commission will be able to devote more time to hearing the complaints of shippers, alleging unreasonable rates and unjust practices.

It further appears that the shippers are not always correct in their opinion that what they deem an unreasonable rate or an unjust practice is such, for they have only won out in substantially half of the cases. Whether this be a fault of the law itself or the interpretation of it, on the one hand, or whether the idea of unreasonableness originates solely in the minds of the shippers, can only be surmised. Certain it is, however, the shipper has won in only one-half of the cases, and the Commission has only granted relief by order in half of the cases in which the shipper wins.

During the year there has been great activity in criminal prosecutions, brought about by an increased sensitiveness and a public clamor for a "square deal." The prosecutions brought against the Sugar Trust, the Standard Oil Company and other large interests, for the acceptance of rebates, and against the carriers for granting such rebates, are still fresh in the public mind. The net results of these prosecutions teach us, we believe, that business men should be thoroughly alive and particularly careful that their goods are shipped at the lawful rate. The present decisions of the courts practically add to the Elkins law the filed and published tariff, and any departure from such tariff, either by an increased rate or by a rate less than provided for by the tariff, subjects the shipper and carrier to fine and imprisonment. We desire to note in passing that the recent prosecutions have been brought under the Elkins law as originally passed in February, 1903; for, as yet, no prosecution has been brought under the amended Elkins law, by which imprisonment was added as a penalty for the infraction of it.

We believe there is a misunderstanding in the public mind concerning the relation between the rate law of 1906 (the so-called Hepburn law) and the Elkins law. The rate law of 1906 is, in its essence, a law for the correction of unreasonable rates and practices, in a formal proceeding before the Interstate Commerce Commission. This law aims to cover discriminations against localities and commodities. The Elkins law looks not to unreasonable rates and practices, but for a compliance, both by the shipper and the carrier, with that rate which is part of the filed and published tariff. It is claimed by some that the addition of the imprisonment feature to the Elkins law will take away its usefulness, which it has clearly demonstrated. When the interstate commerce law had a penalty by imprisonment, there was but one conviction, and the offender was pardoned. When imprisonment as a penalty was taken away, there were numerous indictments and convictions, the total fines aggregating nearly thirty millions of dollars. Your committee feel that it should commend the Congress which passed the Elkins law and that branch of the executive which has seen fit to enforce it.

Bill of Lading.—There is no more vital subject to the shipper than the present bill of lading. It is well known that for some years the contract of shipment has been a very one-sided document, and contained conditions which were unreasonable and unjust, and, further, that there was no uniformity among the several carriers, if one considered the whole country. It will be recalled that in December, 1903, the carriers of Official Classification Territory sought to introduce and put in effect a bill of lading, the conditions of which were particularly onerous. This Association, with others, complained to the Interstate Commerce Commission, and as a result of several hearings a committee of shippers and carriers was appointed to attempt to agree upon the conditions of this important document. This committee reported to the Interstate Commerce Commission in the early summer, and the matter is to receive consideration at the hands of that body during the present month. We cannot wholly commend the agreement of the committee, for they seem to have forgotten that the grain trade, and, in fact, other trades, cannot be conducted unless the bill of lading be in such shape that it can be used as collateral to a draft drawn by the consignor upon the consignee. There are other conditions in the proposed document which do not meet with our approval.

Your committee recommend that the Association be

represented by counsel at the hearing, supported by your officers or an adequate committee.

Carriers' Liability.—In May the Interstate Commerce Commission held a session for the purpose of hearing interested parties upon that portion of the rate law of 1906 which attempts to make the initial carrier liable for loss and damage to property entrusted to it, whether or not the loss occur upon its line or upon the lines of other carriers. Your Association was represented at the hearing, and subsequently a brief of the views of your attorney was filed with the Commission. Your committee agree with the conclusions stated in that brief, as follows:

"That Congress intended to provide by law for 'initial carrier liability' for loss, damage or injury to property transported or delivered for transportation we have no doubt. The particular loss, damage or injury for which such carrier is liable is that due to or arising from any cause other than the act of God or the public enemy. The party who is to have a right of action is the lawful holder of the receipt or bill of lading, the defendant in a proceeding brought under the statute to be the initial carrier, but the remedy given is in addition to the remedies provided by the common law and state statutes. If the holder pursue the remedy permitted by the statute and recover, the defendant initial carrier has a right of action over against and entitled to recover from the carrier on whose lines the loss, damage or injury occurred."

Your committee further believe that the continuous failure of the carriers to issue a receipt or bill of lading in accordance with the mandatory provision of Section 20 of the rate law makes them liable for the penalties provided in Section 10 of the Act to Regulate Commerce. Your committee urge that the Interstate Commerce Commission execute and enforce the provisions of Section 20 by instituting proceedings to compel obedience to its requirements. Your committee append copy of the brief of your counsel as an appendix to this report.

Amendment Needed.—After a careful review of the first year's operation of the present rate law, your committee are compelled to say that it has not proven all which its advocates said it would. We know no higher or better authority to quote in expressing our disappointment of what the rate law has accomplished than the words of one of the commissioners, Commissioner Prouty, who, in a recent public address, said:

"The railway is a public necessity. For this reason, in its construction private property may be taken against the will of the owner. In exactly the same way, when that highway has been constructed, the public may, in its own interest or as a measure of self-protection, direct as to its operations. It may say what trains shall be run, what rates shall be charged. But just as the railway company could not, in the construction of its railway, appropriate private property without just compensation, so the public cannot, after that railway is constructed, appropriate the private property which has entered into it to the public use without just compensation. In other words, it cannot compel the railway to render its service to the public upon such terms as will not yield to its owners a fair return upon the value of property which is devoted to the public use. To do this would be to deprive the railway company of its property without due process of law, in violation of the Fourteenth Amendment. It would be a taking of private property without just compensation, and in violation of the Fifth Amendment, if the rate is established by Federal authority. This is the ground upon which the Federal Court interferes."

"If the Interstate Commerce Commission is invested with a jurisdiction so tremendous in extent, and of such finality, every effort should be made to provide a body adequate to the trust. That Commission under the present law is charged with two sets of duties, requiring diverse qualifications for their discharge. It stands, first, as representative of the government to see that these highways are in fact public. It is commanded to enforce the provisions of the Act to Regulate Commerce. It must see that the rates are reasonable and just; that the practices and regulations of railways are not oppressive; that the penalties provided by the act are enforced. In the near future its powers must be extended to the operation of the railway as well. These duties are largely executive. They can best be discharged by a single head, responsible to the executive, and answerable to the spur of popular criticism."

"Second, this commission is in essence a judicial tribunal, which hears and decides complaints. The qualifications of such a body are the exact opposite of the other. Its membership should be numerous, so that its decisions may be the resultant of independent minds. It should be entirely withdrawn from all political and personal influences, and it should have time for the deliberate consideration of the matters coming before it."

"I very much doubt whether the same body can properly discharge both these functions. In the end it will either become remiss in its executive duties or will, in the zeal of those, become unfit for the dispassionate performance of its judicial functions. Whatever may have been true in the past, the time has come when the Commission should be relieved of all its duties except the hearing and deciding of complaints."

"There are several ways in which this might be accomplished. The Commission itself might perhaps be reorganized and its duties divided. Its executive functions could be transferred to a bureau in some department. I have myself thought that a new department should be created. Such a department would from the first have occupation in plenty. No department would be oftener applied to by all classes, nor would any be of more service to the whole public, railways and patrons alike. In the beginning of this

paper I had intended to refer more in detail to this matter, but my limit has been reached before my subject, and I can only urge the desirability of accomplishing the thing in some manner."

Referring particularly to the grain trade, we are all aware that many practices which were heretofore of advantage to shippers have been taken away, and in lieu thereof onerous rules and regulations concerning rebilling, billing in transit and other matters have been put in vogue.

Demurrage.—The subject of reciprocal demurrage has received some attention during the year, and several states have passed laws providing for reciprocal demurrage, either directly or through the medium of a commissioner. This subject promises to produce a clash between federal and state authorities, for it is reported that the law warrants the statement that the federal legislature has jurisdiction to pass and enforce a reciprocal demurrage law, under the constitutional provision that Congress shall have power "to regulate commerce among the several states."

In conclusion, your committee recommend that its successor take such action as it deem appropriate for the securing of additional legislation looking to the amelioration and correction of present transportation abuses, and continue to make the Association known in the halls of Congress as well and as favorably as it has heretofore.

Aside from the paper the speaker stated that in a conversation with one of the commissioners some time ago the latter stated that if the official classifications were submitted to them before they were put in force, and if the rates on different commodities were submitted to them before they were in force, they would not have to have anything like the number of hearings on special cases such as they hold now in Washington from week to week and from month to month.

In connection with the foregoing report Chairman Morgan presented for action by the convention the following resolutions:

Whereas, Under the act of July 2, 1890, commonly called the Sherman Anti-Trust Act, railroad associations for the purpose of maintaining agreed rates for the transportation of passengers and property are of doubtful legality; and

Whereas, Section 5 of the Act of February 4, 1887, being the original interstate commerce law, makes it an offense for any interstate common carrier to enter into any contract, agreement or combination with any other common carrier or carriers for the pooling of freights of different and competing roads, or to divide the aggregate or net proceeds of the earnings of said roads; and

Whereas, The recent public utterances of the President and of the chairman of the Interstate Commerce Commission and the expressed views of others well informed upon the subject indicate that there should be such amendments to existing laws which will permit interstate carriers to make pooling arrangements, subject to certain restrictions, or to make traffic agreements under the supervision of the Interstate Commerce Commission; and

Whereas, The pooling of traffic or freights and agreements between carriers upon rates and classifications are two entirely different propositions; therefore, be it

Resolved, That the Grain Dealers' National Association in convention assembled, representing the producers, shippers, receivers and exporters of grain, does hereby put itself upon record as being unalterably opposed to any amendment to Section 5 of the Interstate Commerce Act which will legalize pooling, that is, the division among carriers of the tonnage or earnings, aggregate or net, on competitive traffic; and be it further

Resolved, That the Grain Dealers' National Association is in favor of such amendment to the Sherman Anti-Trust Law as will permit voluntary associations of carriers in a common territory and legalize agreements among them for the establishment of rates and classifications; provided, that such associations, committees or bureaus, and agreements between carriers, shall be subject to the supervision of the Interstate Commerce Commission, or other competent federal authority; and further provided, that the right of individual action by any carrier, party to such agreement or member of such association, be preserved; and provided further, that the shipping public be protected against arbitrary action on the part of such associations or through such agreements by having ample notice of and opportunity to be heard in opposition to such associations or agreements before the Interstate Commerce Commission or other competent federal authority.

Whereas, The experience of something over a year under the Rate Law of 1906, Act of June 29, 1906, has demonstrated that whatever may have been the purpose of said law it has not brought relief to, but on the contrary has imposed burdens upon, the shipping public; and,

Whereas, In a recent address before the American Bar Association Commissioner Prouty urged the separation of the legislative, executive and judicial duties of the Interstate Commerce Commission; therefore, be it

Resolved, That the Grain Dealers' National Association favors the separation of the legislative, executive and judicial duties of the Commission by permitting the first named to remain in the Congress, by transferring the executive duties to the department of commerce and labor, or by creating a department of railways, and the present Interstate Commerce Com-

merce Commission as now constituted to retain its judicial functions and duties.

Mr. Reynolds: I move the adoption of those resolutions as read by the chairman of the committee.

Mr. Collins: I desire to second the motion.

The question being taken on the adoption of the foregoing resolutions, the same was carried unanimously; and on further motion, duly seconded, the report of the transportation committee was accepted as a whole and ordered filed.

Vice-President Mayer: Great credit is due to the committee for their very thorough report and the suggestions therein. We will now hear from Mr. J. W. McCord, chairman Uniform Grade Congress, of Columbus, Ohio.

REVIEW OF UNIFORM GRADE CONGRESS.

Mr. McCord: It would be useless for me to attempt to make a detailed report of the work of the Uniform Grade Congress without taxing your patience unreasonably, if I were to attempt to cover the ground at all comprehensively. All I have to say is that we have held three meetings, that we have been very energetic and very earnest and have co-operated very harmoniously in an attempt to bring about uniform grading, uniform inspection. Our efforts, of course, as you know, have been directed toward accomplishing this result, in order that we might head off the possibility of adverse legislation on the part of Congress, because we believe that Congress, if it attempted to legislate at all, would do so adversely to the real interests of the grain trade, because of the fact that Congress cannot adequately handle the matter and does not know what is really needed.

Senator Foraker said yesterday: "If you can agree on what you need we will give it to you." Now, if we could agree on what we do need we would not ask them to give it to us, for we would have it within ourselves.

Mr. Courcier has a very exhaustive report of the two meetings that were held on December 11, 1906, and June 22, 1907, and he will give you in full detail what has been done and how the work stands to-day. I feel sure that after you shall have heard his report you will all agree that it is very necessary to continue that work and get it in such shape that when Congress meets again there will be no occasion for having legislation on uniform inspection. I thank you.

Secretary Courcier: Mr. Chairman, I see that a major portion of those now in the hall here were delegates to the Uniform Grade Congress, and they know all about it. I anticipate that later on in the session there will be present a greater number of those who were not delegates to that congress and whom we wish especially to inform as to its proceedings; therefore, I would ask your indulgence to permit the taking up of this question perhaps after Chairman Knapp has spoken, when the house will be doubtless better filled. There is no necessity of talking here to the Uniform Grade Congress delegates, who discussed this matter very thoroughly at Chicago and know all about it.

Mr. King: We are very much interested in this, and I would like if possible to hear the report now.

Mr. Collins: This is an exceedingly important matter. It is a subject that concerns everybody connected with the grain trade, as well as the Chief Inspectors' Association. For that reason I believe it would be well to postpone the reading of the report from our secretary until we have a more representative gathering than we have at the present time. There can be nothing accomplished with reference to this great subject unless the merchants that are handling the commodities are in favor of accomplishing it; and they will know nothing about it unless they are here to be educated from the report as given to us by the secretary; therefore, I desire that you take a vote whether or not we shall postpone this matter until we have a more representative gathering. I move you, Mr. Chairman, to that effect.

The question being taken on Mr. Collins' motion, the same carried.

REPORT OF THE ARBITRATION COMMITTEE.

Vice-President Mayer: Gentlemen, the chairman of the arbitration committee, Mr. Warren T. McCray, is not present. He will be represented by a member of that committee, Mr. Charles Jenkins of Marion, Ohio.

Mr. Jenkins: Mr. Chairman and gentlemen of the convention, on account of important business matters, Mr. McCray, the chairman of the committee, was unable to be present, and he requested that one of the other members—either Mr. Gerstenberg or myself—read this. As Mr. Gerstenberg has not been able to be here, it calls for the tail end of the committee to present you the report, which is as follows:

Almost coincident with the birth of the Grain Dealers' National Association and the appointment of the first committee on arbitration, was that of the first general treaty of arbitration between nations. It is true that the question had long been discussed and had many times been employed in matters of debate, but it was not until January, ten years ago, that the first treaty between nations agreeing to submit their differences to a board of arbitrators was signed by the secretary of state for the United States and the British ambassador for Great Britain. This treaty was placed before the Senate with an eloquent appeal from President Cleveland urging its ratification.

The example thus set was soon followed and many similar treaties have been adopted by different nations, and the International Peace Conference in 1899 established an international court of arbitration at The Hague, which was ratified by the United States, together with sixteen of the earth's leading powers. This commission settled the Venezuelan question which had been a contested matter for almost a century. The Behring Sea controversy of long standing was also arranged in this way. In some countries laws have been adopted establishing a court of arbitration for the purpose of settling industrial differences, the court consisting of a judge from the Supreme Court and a representative of each the employer and the employee. The law makes it a misdemeanor to cause a strike without first allowing time for the merits of the grievances to be heard and decided by this tribunal.

Thus we see that arbitration has taken a prominent place in the methods of settling differences in national and industrial life as well as in commercial life. It is especially fitting and appropriate that the different branches of trade should have their trade organizations and committees on arbitration to whom can be referred questions which arise between their members and decided by a committee of their peers, who are familiar with the usages and customs of their business, and who are much better qualified to render justice to the contending factions than is a court or a jury who are unfamiliar with the trade rules and practices.

The Grain Dealers' National Association through its arbitration committee offers a cheap and satisfactory way of adjusting differences between its members; and it is surprising that this privilege is not taken advantage of more than it has been. There are drawbacks to this method as well as advantages, but on the whole we believe it is in many cases much more satisfactory than an appeal to the courts. The chief difficulty we have experienced during the past year is that each member of the committee is very busy with his private affairs and it has been almost impossible on that account for us to get together, and also on account of the distance which has separated us.

I would suggest to our next president that when he makes up his committees there should be appointed on the arbitration committee men who live near each other, so that they can meet at some central point without hardship or inconvenience. This work being almost entirely a labor of love should be made as easy as possible upon those who are honored by being called to serve in the capacity of judge and jury for their fellow dealers.

I believe it is due to the litigants who present their grievances to this board that the merits of their cause should receive the most careful and conscientious investigation, and this can best be done by a meeting of the committee and a careful research of the points involved in the controversy be gone over and freely discussed. When the evidence in the cases submitted is distributed among the different members for their investigation, and an opinion is written up by the member who has done the investigating and is then forwarded to the other members for their approval or dissent, the tendency is too apt to be that the other members of the committee do not give the case the careful investigation that they should, having confidence in their fellow member's judgment and integrity, and simply assent to the opinion already prepared. In this way the parties at interest might get the opinion of only one member, whereas they are entitled to the sound judgment of the entire membership of the committee.

Our experience has shown that in going over the cases together points are brought out and questions raised and discussed which one man might pass over unobserved.

During the past year we have reviewed several cases involving intricate points and considerable amounts, all of which were gone over by the committee while in session. There are a few cases yet pending which have not been decided for the reason that it has been impossible for the members of the committee to get together, and believing that this is

the only correct way to handle these matters they have not received our attention. I wish to say, however, in behalf of the committee, that we will endeavor to get all unsettled matters adjusted before our successors are appointed, so that they can start out with a clean docket.

Vice-President Mayer: You have heard the report of the arbitration committee. What is your pleasure? We have a moment that we can give to the discussion of the points brought out. This committee is one that does a great deal of work, all for love, and they have been very, very conscientious.

Mr. Grimes: I desire to call the attention of the members of the Grain Dealers' National Association to a point that a great many of you overlooked, and that is, failing to make use of the arbitration committee. I believe that if every member who has a grievance would refer it to this committee, where necessary, it would result in benefit in a financial way and also in a friendly way. Litigation is, as you all well know, something that you should try to avoid, and an amicable settlement of differences would often result in permanent friendship. By recourse to the arbitration committee, gentlemen, you will find that you will get results that will be satisfactory. I can imagine no greater disregard of the principles of this organization than for one of its members to refuse to submit a difference to arbitration that should properly be so handled. Of course, it is up to you whether you go into the courts and often arouse ill feeling or whether you will come before an arbitration committee which is composed of the best material possible in this organization—fair-minded men, men who will give you a hundred per cent more justice than all the legal fraternity in the country can possibly afford you.

These conventions are a good thing—where we meet others in the same line from all over the country and learn to know and respect men we have done business with perhaps for years without having had a personal acquaintance with them. By coming together we get more closely identified. The arbitration committee is a practical illustration of this, and it has mapped out a careful course of procedure under rules which will be given you by the secretary on application. I feel safe in saying that by making use of the arbitration committee you will reap benefits which, if you have not tried the experiment before, you now have no idea of. I firmly believe in arbitration. I believe in arbitrating even with a railroad. You can do more by arbitrating with the railroads a hundredfold than you can by pitching into and fighting them. A railroad corporation will do anything to prevent a lawsuit. I wish to impress this on this convention. Our secretary is in his office from year in until year out, and he is only too glad to take up anything that any member asks him to take up. The arbitration committee is equally willing at all times to take up any matter coming before them, whether it is a matter of difficulties with the railroads or between individuals. I feel that any member that makes proper use of the arbitration committee will find that it will more than repay him the cost of membership in this organization.

As an example of what is accomplished by organization, I want to refer to the change of rates that was to take effect on the first of April of last year, when by energetic action on the part of different organizations we were able to save you thousands of dollars in Illinois, Ohio and other states. The very moment that the railroads sent out notice that freight rates would be advanced on the first of April what did the members of the different business organizations do? They got together—all of them—went to Chicago and appeared before the Traffic Association; as a result of which, instead of the freight rates being advanced on the ensuing first of April they conformed to the request of what we would term a general arbitration committee and put the change off until the first day of May. What was the consequence? You men that had grain sold for delivery, sold two

or three months before, were benefited by that change to the extent of \$16 or \$17 a carload. That is an illustration of what can be accomplished by organization, and which could not under any circumstances have been brought about by individual effort. It was due to them all getting together, the Ohio Association, the Illinois Association and the National Association combined. You are familiar with it, but I want to call your attention to it again.

Now, gentlemen, take advantage of what the report of the arbitration committee shows you can be done. Call on the secretary—that is his business; that is what he is paid for; that is what you pay your dues for. Your dues are \$10 a year, and if you members here would get in, each of you, one or two members you would increase the membership and the funds in the treasury so that our officers could continue to carry on the work of this Association if possible more efficiently even than in the past. I thank you, gentlemen.

President England now resumed the chair, and the committee appointed to escort Chairman Knapp to the stage performed their duty and he was re-

ceived by President England and given the seat of honor.

President England: Gentlemen, during this convention there has been particular reference made to the matter of a uniform bill of lading, but the discussion has followed entirely along the lines concerning the liability of the carrier. There is another quite important feature in regard to the bill of lading which has not yet been touched upon, and that is its value as a negotiable instrument and the importance of having it in proper order for transmission from the bank at the point of shipment to the bank at the terminal market. It should be handled with confidence by all those who have occasion to supervise it. You are particularly fortunate upon this occasion in having with you a gentleman connected with the large financial interests of this country, who has given this careful and long study. I refer to Mr. Ingle, of the Merchants' National Bank of Baltimore, who is a member of the bill of lading committee of the American Bankers' Association.

I take great pleasure now in presenting to you Mr. Ingle.

BILLS OF LADING IN COMMERCE AND BANKING

By William Ingle

Mr. Ingle: Mr. President and gentlemen of the Association: I very greatly appreciate the opportunity that has been permitted me to address you on this subject. I take it for granted that we are here not so much to hear speeches as to have a mutual interchange of ideas in connection with a subject that is of importance to all of us, to you primarily, and, secondarily, to the banks upon which probably many of you depend for your money in the ordinary conduct of your business. As in the case of most preachers of sermons, it is well to start with a text. It so happens that in coming on the train yesterday I picked up a copy of a New York Times of that date and found in its editorial columns something from which I will read and which I think will serve as an admirable text, although if I wander from it a bit it will be no greater privilege than the average minister avails himself of every Sunday. The editorial is headed "An Instructive Fraud," viz.:

AN INSTRUCTIVE FRAUD.

The bill of lading swindle reported by The Times yesterday comes in time to assist a business reform of the first importance. It is hard to say whether the ease with which the blank bill was obtained or the ease with which it was negotiated is the more surprising. A bill of lading ought to receive at least as much scrutiny as a check or banknote, yet in the course of American trade it is treated with astonishing looseness.

Not long ago we reported a case in which a railway paid \$80,000 upon account of a bill of lading issued by one of its agents for goods of which the railway never had possession. In another case German firms paid \$100,000 upon bills of lading for \$200,000 worth of goods, of which fifty tons were shipped instead of 3,000 tons. In the cotton trade it is the custom for bills of lading to be issued in blank, and to be filled up duly by authorized agents, although the facts are not as recited in the bill. The losses resulting from this way of trading are almost beyond belief. The American Bankers' Association Committee reported one case of a loss of \$320,000.

The financial loss is the least important aspect of the subject. The crops are largely moved by advances against bills of lading, and such are the scandals and risks that many banks refuse credits against them. Hundreds of millions more would be issued if the banks could trust the papers annexed to drafts, to the great convenience and profit of all concerned in the harvest movement. Naturally documents which are so discredited at home are worthless abroad.

The seriousness of this situation has caused the Interstate Commerce Commission and the American Bankers' Association to act for reforms. National legislation is desired to correct contradictory state laws. But improvement may be had without awaiting legislation. The Interstate Commerce Commission has set a hearing upon a form of bill of lading which is approved by many railways, and which may be made obligatory upon all if no objections are developed.

Mr. Ingle then proceeded as follows, reading from manuscript:

There was exported from the United States during the year preceding July 1, 1907, domestic merchandise valued at \$1,853,000,000. Of these exports cotton represented a value of \$481,000,000; wheat, \$60,000,-

000; corn, \$44,000,000, and other agricultural products, \$116,000,000, making a total of \$701,000,000 value.

Practically all of these staples were shipped abroad under "order" bills of lading; which upon their issuance at once became the security upon which were drawn bills of exchange. Recognizing in the interest of trade and finance the necessity of having all such ocean bills of uniform character and subject to such provisions as would beyond transfer to their purchasers an absolute title to the property carried under them and until their surrender, Congress passed the Harter Act, and this law controls foreign shipments. The domestic movement of merchandise, however, is not so safeguarded. All of the farm products for export before referred to were carried to the seaboard under inland "order" bills. In addition to this very great volume of shipments practically the entire remainder of all of the staples raised in this country is moved from the interior to some market under "order" bills. A careful estimate of the value of farm produce generally which is so moved totals three thousand millions of dollars annually.

In the preparation and issue of ocean bills great care is exercised and the prospective purchaser scans them closely to detect defects which would render them useless as evidence of title. In other words, everyone through whose hands pass such ocean bills takes them seriously, accepts them with confidence, relying upon the law passed for their protection. How different is it in the case of inland bills, those with which all of us are so familiar; indeed, so very well acquainted are we with them and the purpose for which they are used that, certainly until the agitation of the general subject during the past two years, it is possible that very many shippers and certainly most bank people had really never read their provisions with any care. There were several reasons for this carelessness. In the usual hurry in which the business of this country is transacted, the average individual is quite apt to accept any routine paper given him, especially when he is aware that similar papers are freely used, possibly with occasional questionings of which he can have no knowledge. In the vast number of cases a shipment is received, transported and delivered without the slightest trouble, as indeed would have been the case in the absence of any bill of lading, as no carrier accepts goods for transportation with any purpose other than their delivery in due course. Almost every shipper, however, must have had in his own experience, if of any length, instances in which trouble has arisen, and they then, for the first time possibly, took a lively interest in a particular condition in a bill of lading affecting their situation.

An "order" bill of lading is a paper of twofold character, first, a receipt for merchandise and, second, a contract to carry and deliver. It is made more complex in that it is issued subject to numerous conditions which are sought to be imposed upon the shippers and which, if they serve no other purpose, afford the carrier innumerable defenses which are promptly set up the moment one of the papers gets into court. This might naturally be expected when it is considered that the bills are prepared in the offices of the carriers, who most naturally see to it that their wording is such as shall involve them in the least possible responsibility. Speaking in a general way, the carriers throughout the country through their committees can and do act in substantial harmony in matters pertaining to the issuance of these bills, while the shippers, having differing degrees of interest and being widely scattered, can offer no effective opposition, but must take the forms as tendered and trust to the lack of general information on the subject to effect their negotiation. It is in this negotiation that the service of the banks is required, as without their help it is difficult to see how the crops could be moved except

at the expense of a ruinous delay or at the hands of a very few large dealers who, being well fortified with capital, would unaided be able to make advances to the owner of merchandise from their own resources and thus put out of business a very great number of merchants who with any amount of energy and ability are nevertheless dependent upon the banks for the money which they furnish upon the pledge of order bills of lading covering shipments in their line.

Probably no single trade organization better understands and appreciates the necessity of having a good clean-cut bill of lading than the Grain Dealers' National Association. In your membership you have many large and financially responsible houses, but business aggregating an enormous sum is transacted by probably a greater number of houses associated with you, whose necessities under conditions heretofore obtaining have not demanded a great deal of capital. When crops are moving a large house will frequently have occasion to borrow \$500,000 to \$1,500,000, while smaller concerns having a capital of from five to twenty-five thousand dollars will respectively be able to borrow from fifty thousand to one hundred and fifty thousand dollars, having, in addition to the capital suggested, a good name and a proper number of order bills.

Since the time, say twenty years ago, and until recently, the banks have readily accepted such bills as collateral, but with a use, which in your line is now well-nigh universal, has come an increased number of losses made possible by the present mixed and unsatisfactory state of the law, or lack of law, on the subject, a fact immediately availed of by a carrier at fault. These losses arise from various causes which are now rapidly becoming better understood. Fraud, of course, is very often present. Carriers use a common form for both straight and order shipments. A straight bill can thus be made valuable by simply writing the word "order" in its proper place after issuance. As these instruments are necessities of commerce, there is no good reason why they should not be issued in some distinctive form, or at least have the word "order" printed on bills used for such shipments.

One never hears of the carrier having any difficulty in properly caring for the sale of its tickets to the public. These can be had in most elaborate form and via a dozen connecting lines, but by the time a local agent gets through punching and stamping them the carrier is usually thoroughly protected. No greater difficulty could attend the proper issuance of an order bill of lading, and some distinctive form of such document should be provided. Again, any material alteration, for instance, in the dating of a bill avoids the instrument, and the holder in some states would not be permitted to recover any claim based on such altered bill. The words "Not negotiable," printed or written at any place on the bill, mean exactly what they say and should act as a danger signal to all into whose hands they may fall and despite protest to the contrary by the carrier. No shipper should for a moment accept a bill so marked.

The carriers object very strongly to the issuance of a negotiable bill of lading, probably not so much for the reasons they assign as for others of weightier character, as with a negotiable bill, even under the present contradictory laws, their obligation would be much more definitely fixed. By reason of the two-fold character of the paper they insist that it would upset all legal precedent to declare them negotiable, and possibly it would; but this only proves the necessity of establishing a precedent, as was done at the time when ordinary promissory notes were made negotiable. Before this came to pass, and at a comparatively recent date, only bills of exchange possessed this quality. Changing conditions must eventually compel the enactment of laws which must outrange the sensibilities of devout followers of Blackstone, and the time is surely ripe for the perpetration of another such offense.

The carriers wave all objectors aside, however, and call a shipper's attention to the "order" clause, made prominent by its repetition on the face of all bills. The language is so very simple and its meaning apparently so unmistakable that the majority of the shippers of the country have by its use acquired a feeling of absolute security. A rapidly growing minority has, however, had different and costly experience. It probably does not misstate the case to assert that there is not a bank in the United States, which, handling as many as ten order bills in the course of a year, had not in at least one case found that goods named in such a bill had been delivered to consignee without its surrender. What is it that then happens? In most cases a transaction is closed properly and without recourse upon the bill, but in odd cases, quite numerous in the aggregate, the injured party is obliged to engage a lawyer with the idea of enforcing rights of which he presumed himself to be possessed. If the amount involved is small, the offending carrier may possibly settle after a wearisome delay and possibly in order to avoid the publicity attendant upon the defense of a suit in court with its exposure of the unfair character of its objection.

If it so happens that the holder of such a bill should pledge it with a bank at any moment after actual delivery of merchants, such a bank would in most states scarcely have a chance of recovering, as the paper would be declared to be a "spent" bill, and while the carrier would receive a lecture upon the sacredness of a moral obligation, the holder of the discredited document would none the less lose his money. There should be no such thing as a "spent" bill any more than there should be a spent certificate of deposit issued by a bank. Suppose any of us should issue such a certificate and the owner should come to us and say that in a hurry he had left it at home and we in a complaisant way should pay him its value, would we not be obliged to again redeem

it if it later reached us in the hands of a bona fide holder to whom it had—yes, years later—been endorsed?

In some states the courts have held that anyone—for instance, a bank—cashing a draft with an order bill attached becomes the purchaser of the goods named in the bill and of which the document is the symbol, and that an endorser warrants to subsequent holders the quantity and quality of goods, named. Everyone in business well understands that no such obligation is ever intended to be imposed or assumed by any party to a transaction in which a bill of lading is employed, certainly at the time of its deposit in bank. Were this rule to generally obtain, its operation must prevent the acceptance of bills as collateral. The only remedy lies in the enactment of a national law which shall certainly on interstate shipments nullify these late interpretations of local laws.

The shippers at the moment probably feel that this is a matter in which they are not especially interested, but failing the suggested relief and when as a consequence banks can no longer accept these proffered bills of lading, they will find that it very nearly concerns them.

Again, under the laws of many of our states, any local agent of a carrier may issue a bill of lading naming goods not received by him, and by negotiating such spurious bill, defraud an innocent purchaser who will not be permitted to obtain redress from the carrier. Such a plea would hardly avail a bank if its cashier, or officer authorized to issue certificates of deposit in its behalf, would issue such certificates in the absence of any deposit and should the evidence of debt find its way to the bank in the hands of an innocent holder. Surely the carrier should be fully responsible for its agents' acts in a matter in which he is regularly engaged, and especially so when there is certainly no practical way in which at stages of its handling the holder of such fraudulent bill can learn of its character. Agents frequently sign bills in advance of the actual receipt of goods, for the convenience of their customers, and, of course, without having the slightest idea of defrauding anyone. If by any means one of these bills for which no goods were actually delivered to the transportation company should get into the hands of a third party, the holder could not have recourse upon the carrier.

It goes without saying that no shipper should for a moment accept a bill which he is asked to acknowledge in writing, either on the bill itself or probably on a separate contract for filing in the carrier's office. To do this would deprive the holder of his common law rights.

These are some of the defects inherent in an order bill as at present issued and under laws now in force. There are almost as many laws as there are states in the Union, and by reason of this very conflict arises the necessity for congressional action.

The interstate commerce act with its amendments helps the situation somewhat, but it does not touch upon any of the matters referred to, and all of them are important and, indeed, essential, if shippers in the future expect the banks to treat such papers seriously.

The Commerce Commission is given great latitude in exercising supervision of the general premises, but aside from its power to prescribe a particular form for use, it is probably without legal authority to do anything to remedy the existing situation in the other matters to which your attention has been drawn. Surely no ruling of the Commission can confer negotiability upon an instrument which the law says is not negotiable. The law now says that a "spent" bill cannot be enforced. Is it possible, by agreement or direction, to nullify this law? Can mere regulation render inoperative the law which avoids an altered instrument? Can any declaratory conditions secure a transferee from responsibility in the matter of quantity and quality? Most assuredly not, in any instance. These points are all absolutely essential and no matter how effective is the language of any bill covering liability for damage, questions of classification, tariff, demurrage, etc., the bill as security is absolutely worthless in the hands of any third party, if the larger and fundamental matters mentioned are not properly safeguarded.

As suggested, the laws of the several states are conflicting. Many states have no statutes covering the subject, and in these common law controls, but subject to differing interpretations. The commission on uniform state laws, appreciating the very great importance of the subject, is now engaged in framing and discussing a measure which it is hoped will be enacted generally, as has been the negotiable instruments act, and, later, the warehouse law. While wider in its scope, the proposed act, in connection with the matters just discussed, follows very closely the points covered in the proposed amendment to the rate bill which is to be offered to Congress for its action at its next session by the bill of lading committee of the American Bankers' Association. This last-named committee, for nearly two years, has been endeavoring to secure some satisfactory settlement of this large question. The banks have occupied a rather uncomfortable position, as in the handling of bills of lading they are between two friends, namely, the shipper and the carrier. Not wishing to assume an attitude of direct opposition to the carrier, this committee has chosen to accept in good faith numerous promises made them from time to time, only to be disappointed, until wearying of delay it has been determined to enlist most vigorously the attention of Congress and without longer paying heed to procrastinating promises. In this work we expect that vigorous co-operation from the shippers and their organizations which the importance of the subject to them would suggest. In addition to this aid, upon which we rely, we trust at the proper time to enlist the active support of the Commerce Commission in

procuring the passage of such laws as shall so greatly assist and render safe the movements of commerce and at the same time in fixing the carrier's responsibility possibly better enable them to enforce existing laws.

Please bear in mind that the one thing for which the banks contend is not so much a bill subject to any particular conditions, but that a bill being issued, its various provisions should be so worded as to mean exactly what they say, and that a national law shall control and make such provisions enforceable. If these provisions do not cover certainly the few points here discussed, the paper will be valueless and the banks of the country will be so advised, when their use as evidence of title will cease.

A joint committee representing the carriers in Official Classification Territory and certain shipping interests have for some time been discussing the provisions of the bill of lading. It has been most unfortunate that by reason of a very convenient rule, adopted early in their session, no other parties, no matter how greatly interested, could enter the discussion. Had it not been for the passage of the Carmack amendment to the rate bill, making the initial carriers responsible for shipments, and with which amendment the shippers' committee had nothing to do, the discussion would probably not have been closed for some years longer. As this particular feature was the one thing deemed to be of primary importance to the shippers' committee and the one thing most vigorously opposed by the carrier, its elimination from the discussion made agreement as to other provisions easy, and the result is a proposed form which has been submitted to the Commerce Commission. The form covers none of the points raised in this paper, and even so far as it goes is anything but satisfactory, and at a hearing to be given later in this month the Commerce Commission will be asked to make in it certain amendments.

In the first place, in framing the bill the necessities, or wishes, of those using such order bill for the purpose of raising money on them were not consulted. The shippers on the committee probably represented those interests which, while large, are not probably required, from the nature of their business, to use such bills as collateral; and as a consequence, the proposed bill is not so drawn as to make of it a security upon which shippers could expect to get advances. The bill will permit inspection—or, in law, a technical delivery—upon the order of the shipper, and this should not be. It permits shippers, without production of order bill, to hold or divert in transit. No bank would advance money on a bill so drawn. It places at owner's—the holder of the bill of lading—risk goods when not actually attached to a train. How is it possible to know when this condition arises? Think of the trouble bound to result when in any case a carrier can claim that a car was on a siding or in a freight yard and placed there probably for the convenience of such carrier.

The members of your Association are vitally interested in securing a bill which shall secure to the holder, either yourselves or the banks with which you deposit your drafts with such bills attached, a good, clean-cut title to the merchandise named in them. This title should be as secure and as easily defended as would be the case when you take a deed for a piece of real estate. Permit me for a moment to refer to your relations with your banker. If you are possessed of a certain amount of capital in your business, you probably go to your bank and arrange for a line of credit based on such capital, and using this credit you generally tender your unsecured note. This relatively small amount exhausted, you would at once be obliged to cease trading until you could collect some of your outstanding accounts, were it not for the fact that by the use of an order bill of lading attached to your draft for approximately the value of a shipment, you can have your bank advance you its face value and thus at once give you additional funds with which to repeat the operation.

In this process, please bear in mind, you are not at all using your credit, excepting such part of it as enters into the moral risk your banker undertakes in accepting from you as cash anything other than money. He, while doubtless holding the highest opinion of your probity and good intentions, will take from you your bill of lading draft solely for the reason that he does not at all intend to so give you credit, but he feels that the bill itself gives him ample security, no matter what might happen to you. If you imagine that your credit is really a material factor in such situation, try the experiment and offer your bank, during busy seasons and for a week at a time, the several drafts that you will make for amounts ranging from \$500 to \$50,000 each, without attached documents, and see what will happen. It is hardly necessary for me to say that your credit, as far as the actual necessities of your business would require, would soon be exhausted. And yet this is what will certainly occur, if, after every effort, it shall be found to be impossible to secure from the carrier a bill upon which banks can with safety make such advances. Pending some reasonably prompt settlement of the entire subject, you can do much to protect yourselves and the banks if you would bear in mind the following thoughts:

Do not on any account sign a bill in connection with the agent of the carrier. Do not accept a bill upon which the words "Not negotiable" appear. Should they be on a printed form and erased by the agent upon your demand, see that the agent acknowledges the erasure in writing over his separate signature.

Do not accept a bill altered before or after issuance as to date, quantity or in any material manner.

See that order bills are signed in actual writing by the hand of the regularly authorized agent of the carrier.

Do not fail to endorse properly order bills. You should not put upon either your commission man or

a bank the responsibility of furnishing and guaranteeing such endorsement and thus assume a real risk.

Allow me a word in connection with so-called "arrival" drafts. There is something in the point raised by the carriers that merchants do not confine their demands for order bills to those cases in which they desire such a bill to use for the purpose of raising money. They claim, and it is true, that a rapidly increasing habit prevails of forwarding goods on consignment and under an order bill, thus making the carrier, and later, the banks, practically the local agents at destination of the shipper, and all for the same freight rate as would be charged on a "straight" shipment. It is only fair to bear in mind that in making it obligatory upon the carrier to take up order bills, or hold them responsible for the consequences, even when they have delivered a shipment to proper consignee, that they contract to perform a real service and this should be exacted of them as sparingly as actual necessities demand. Rather, therefore, than ship at random, as sometimes appears to be the case, to anyone who calls himself a commission merchant and whose promises are in inverse ratio to performances, and relying upon an order bill attached to "arrival" draft, it would be better to discriminate a little more closely and, selecting a responsible house, consign your goods to it with confidence and cease using arrival drafts. Could such a course be followed many of you would probably have fewer claims for shortages and other defects.

It is very much hoped that this Association, and kindred bodies representing the very great number of merchants of the country handling its staples, will interest their members actively in this most important subject, and in addition to showing to the Interstate Commerce Commission this interest by their words and acts, also heartily co-operate with the American Bankers' Association committee in its efforts to properly protect the immense business which they collectively conduct by securing the enactment by Congress of such a law which, while fair to all interests, shall for a long time settle the numerous vexatious questions now constantly arising and lessen the chance of loss in handling a document of world-wide and rapidly growing importance.

Aside from his manuscript Mr. Ingle said:

"But the courts have a way when they have had a decision on any particular subject of following that precedent, so we can never tell when the other states will fall into line. Banks now tried to escape that responsibility by stamping a waiver of responsibility on such bills as pass through their hands. It is a question how effective that waiver is in law; but it is placed there for what it is worth."

DISCUSSION OF MR. INGLE'S ADDRESS.

Mr. Brafford: I want to ask the gentleman a question. In one paragraph of his paper, as I understood it, the statement was made that the banks would object to diverting all goods shipped under an order bill upon the demand of the shipper after he has parted with it. Three-fourths of the grain that goes from Pennsylvania for the interior on the Pennsylvania Railroad is billed to Altoona for diversion. We draw on Philadelphia. But that grain never stops at Altoona, but is taken all over the state of Pennsylvania.

Mr. Ingle: There is no possible objection to any method of billing grain. The bill of lading shows the billing, and if it is an order bill it passes title to the bank or to other parties by endorsement. In so endorsing the shipper gives up control of the goods. That does not mean to say that if a shipper should, for his convenience or the convenience of the consignee, want those goods diverted he cannot secure such diversion; but the order for that diversion should follow the same channel previously followed by the order bill. It should come from the local bank which has first negotiated the bill, and not directly from the shipper. Suppose we get a draft drawn by you on John Smith at Baltimore, and you wire the bank in Baltimore to return without protest such bill. Why, we would not dare to return that bill without protest, simply on the order from you direct, unless we assumed the full responsibility. If we happened to know you and knew also that the telegram was bona fide, we might take the risk; but it would be a risk just the same. So that when an order bill is endorsed to a third party the bank takes full title to the goods carried under it. I think it is perfectly fair to say that the only person who should be authorized to divert these bills, or to interfere with the original tenor of such paper, should be the holder of it, the purchaser, if you choose. You have the best title to it. As a matter of fact, it is perfectly easy for

you to secure that diversion through the channel through which you negotiate the bill. Were it otherwise and should we advance money on such a bill a party in the West might take advantage of the collecting bank by ordering a diversion in some direction other than the original billing and compel the holder of the bill to sue under the laws of a state other than the one in which he was located. I think you can appreciate the fallacy of the general proposition.

Mr. Collins: I would like to ask the gentleman a question. Suppose the carriers were to safeguard the bill of lading for issuance similarly to the United States Government's safeguard of their bonds. For instance, at the present time any gentleman in this hall could go to the railroad office and get a pad of blank bills of lading, which he could use in any manner he saw fit. He could forge a bill of lading if he so desired and draw on it. Now, it seems to me that this whole matter could be helped if the carrier would safeguard the issuance of the bill of lading. Do you think they could do that?

Mr. Ingle: I am unfortunate in occupying a position on both sides of this question; in fact, on three sides of it. It is certainly far from my purpose, and I take it from yours, to work any unreasonable hardship on a railroad. You have your business within the walls of your office. The bank has its business under its direct supervision. The railroad has to conduct its business over a strip of territory of perhaps two thousand or three thousand miles in length, through agents, many of whom are people of narrow education, and so on. I do not know how practical it would be. It would be a most desirable situation if it could be brought about, that the railroads should issue order bills of lading, taking the same care of them as they do of their ticket files. Given a proper law for the protection of the bill of lading, there is no reason why it should not take the same form as a simple railway receipt. No one would care about long conditions and specifications being on it. All we would want would be, "Received by the Baltimore & Ohio Railroad 100 bales of cotton, say, for shipment to so and so, shipper's order, etc." Of course,

you would want to the car number and some routing on it, but there is no possible necessity, from the banks' point of view, of having anything else on that paper further than is sufficient to make it subject to the provisions of the law. That matter could be placed on a piece of paper as small as a ticket. I do not see any insurmountable difficulty in holding or caring for such receipts any more than in properly caring for tickets, which when issued are expected to pass with a money value. They are valuable papers. The additional length of time that it would take a railroad agent to properly make up order bills, when a shipment is ready for forwarding, is not appreciable. At the smaller towns I do not know how many cars you all take—two, three or four a day, or something of that kind—but at the larger towns and business centers they have a proper force to attend to business, and I cannot see any insurmountable difficulty in that. I appreciate that there is more force in the point that they raised, that in the face of old conditions it is hard to bring about a reform.

Mr. Rogers: I move that the very valuable paper just read be received and spread upon the minutes, and the thanks of the convention returned to its author, Mr. Ingle. Carried.

President England: At the first meeting of the Grain Dealers' National Association, held eleven years ago, the very first standing committee that was appointed was your committee on transportation, which ever since that time has been the most active committee of this organization. In all your meetings you have carefully followed the legislation affecting transportation matters. Perhaps there is no other organization in this country the members of which are more familiar with the work of the Interstate Commerce Commission than this body. It is, therefore, not necessary for me to introduce to you the chairman of the Interstate Commerce Commission, because you all know him well and have been careful students of the work of that Commission; so that it is with great pleasure that I am permitted to present to you to-day, gentlemen, Hon. Martin A. Knapp, chairman of the Interstate Commerce Commission. (Applause.)

PUBLIC CONTROL OVER TRANSPORTATION

By Hon. Martin A. Knapp

Chairman Knapp addressed the convention with-out notes as follows:

I have a feeling of real dismay when I realize how unlikely I am to say anything which merits the attention of this thoughtful and powerful organization, which represents one of the largest and most important industries of the United States; and that feeling is increased very much when I remember that yesterday you had the privilege of listening to the distinguished senior senator of this great state, whose public utterances always command respect, not only from the rare eloquence of his speech but because of the breadth and depth of his deductions and the unwavering courage with which he maintains his convictions.

The question is not infrequently asked, even by such gifted men as write for the newspapers and sign their names to magazine articles, why should the government interfere to control and direct the operations of public carriers? Why should a railroad be regulated any more than a farm or a factory? The answer to all questions of that sort, as it lies in my mind, is found in the most obvious and fundamental fact that whenever or wherever it was that man first came to live together and made the beginnings of social life there had to be a pathway from one dwelling place to another. The earliest association of families and tribes implied a common pathway to which all had equal access. Now, as families increased into tribes, and tribes grew into nations, with their increasing wants and multiplied activities, with the passing away of the nomadic stage of life and the adoption of a settled mode of life, with the consequent outcome of the doctrine of private ownership in land, it became necessary to set apart certain portions of that land as public highways, to which all had equal right.

The very advancement of society, therefore, implies a public highway. The street is part of the state, and as civilization becomes more complex, as our mutual dependence increases, there is increasing need for these great avenues of intercourse. With the highest development comes their greatest necessity; and this necessity is not simply for their existence, but for their common and equal use by every citizen. What is it, after all, for which we establish a government and create institutions? First, to secure the safety of life; second, to insure the protection of property;

and third, to furnish the highway. So, from time immemorial, from savage and through semicivilized life up to the most enlightened nations of the present age, the construction, maintenance and control of the public highway has everywhere been recognized as the primary function of government. More than that the right of every citizen to use those highways on equal terms with all his fellows has been recognized as the most primary and fundamental of all the rights which an individual can possess.

I dwell upon this fact of familiar knowledge for a moment, because to my mind it goes to the very foundation of individual freedom and industrial liberty. The man who is deprived of the equal right to use the public highways is practically as much handicapped in the struggle of life as though he were denied security to his person or protection to his property. And right here I think I draw a distinction often, I fear, overlooked, which it seems to me goes to the very bottom of this whole discussion, and that is the difference between contract rights and political rights. In the exchange of actual property, the things produced by labor and skill, the things we use to eat and wear, the relations of the parties are contract relations that are entered into voluntarily—they may be refrained from at will; but the relations between the public and the public highway are not contract relations. I do not ride upon cars or have my property transported because I have made a contract with the carrier, but in the exercise of my political rights. The merchant can stand at his door and, if he chooses, say "I shall not enter; he may refuse to sell me if it seems to be for his interest. He is free to sell to me at one price and to you at another price, and to vary the terms to either of us as and when he sees fit. But the railroad manager cannot deny me the right to use the facilities which he affords, and when he does so, or when by his varying and discriminating dealing as between me and others he places me at a disadvantage in the use of a public facility, in the enjoyment of a political right, I am placed at a disadvantage which is always serious and often becomes fatal.

Now the transfer of land commerce from the ordinary highway to the highway of steel has not in the least changed the nature of this fundamental right; on the contrary, it has made its possession of vastly more importance. The great movement of the world's

commerce by land is no longer by ox and horse over the streets and roads, but over the great railway systems which have been and are conducted for the purposes of supplying the public need.

And right there bear in mind this right, this duty, to provide the highway, to allow it to be used freely and on equal terms, extends as much to the steam highway of modern times as ever it did to the dirt highways of a former generation, from the first trails between savage abodes down to the present time.

And bear in mind this, our government and other governments abstain from exercising that right and providing that form of highway at public expense merely from motives of expediency; not because of any want of right or power, but solely because it is deemed on the whole more to the public interest in a developing state of society such as ours that these great avenues of our modern commerce be provided by private corporations which have been chartered generally by the states for that inestimable purpose. Right there permit me to call your attention to another phase of this same situation. Under all conditions, when distribution was effected by animal power, this duty of the state was fully and completely performed when it provided the highway, when it made it secure, and allowed everybody to use it on equal terms. Under these conditions, the highway being provided, each individual who desired to use it furnished his own vehicle and motive power; but our modern steel highway is of such a character, as you all know, that that is utterly impracticable; and, therefore, it happens that the corporation or the individual that is permitted to discharge this function of the state must as a matter of fact not only provide the highway, but also provide the vehicle and the motive power. So that, with the introduction of our modern methods of transportation the right and duty of the state reaches much further and becomes vastly more important than it was under former conditions.

Now, the authority for the exercise of this power, as all know, on the part of the national government is found in the commerce clause of the constitution, that Congress shall have power to regulate commerce with foreign nations and with the Indian tribes and among the several states; a power granted, as you know, for purposes which existed at that time, and which is wisely held to be adequate to the demands laid upon our public life by the growth and development of these vast railway systems, which have become not only the greatest achievements, but the greatest necessity of our modern life; and it is rather curious to reflect that this great power lay dormant for practically 100 years. Indeed, it was not until more than one-third of a century after the constitution was adopted that the first case involving its construction and meaning reached the Supreme Court of the United States. Up to 1860 not more than twenty such cases were considered by that tribunal. Now they are numbered by the hundreds. So that this little phrase in the fundamental law of barely twenty words, only a dozen as applied to this subject of public transportation, has become of judicial construction, by the development and necessities of our modern life, practically one of the most important and certainly the most conspicuous provision in the fundamental law.

Now, what is meant by the regulation of commerce under this provision in the Constitution, and how is it effected? What is it designed to accomplish? What are the means by which its purposes are realized? To begin with, there is no common law in the United States; for everything adjudged by a federal court, for every right there ascertained, there must be found authority either in the Constitution or in an act of Congress. More than that, since legislative power cannot be broadly delegated, it follows that the exercise of power which this provision in the Constitution permits, and which so appeals to the conditions and necessities of modern life, must be exercised through appropriate legislation; that is to say, in exercising this authority and in discharging this public duty the courts must provide rules and regulations by which the use of these great highways is to be governed, and by which their relations to the public who use them are to be controlled.

Without wearying you with detail discussion, let me try to advance my suggestion to a more practical phase of the subject. If you reflect a little you will perceive that any scheme of railroad regulation must in the nature of the case begin with a tariff. That is to say, there must be public announcement of the terms and conditions upon which the right to use this highway in common with all others can be secured; and bear in mind this is as true under our present scheme and theory of regulation as it would be equally true if the Congress itself should fix the rates by direct legislation. If a federal commission should be authorized to make rates of its own motion, as is the case in some of the states, it would be equally true if we had public ownership of railway and other transportation lines. As a practical matter there must be an announcing of the tariffs or schedules of rates and the terms; that is to say, the toll must be paid for the use of this public highway.

The only difference as I can see between the conditions which would prevail under public ownership and those which ought to prevail under private ownership goes to the general range of rates; that is to say, if the railroads were owned and operated by the government through a direct agency, then public policy would determine whether rates should be so adjusted as to yield us sufficient to pay operating expenses and the cost of maintaining the properties in a progressive state of improvement. Whether those tolls should be adjusted with a view further of producing revenue to the government; that is, whether they should be operated at a profit for the purpose of turning in the surplus to the public treasury to be devoted to other uses, or conceivably our railway systems, these modern highways of steel might be divested of all tolls under public ownership and made as free as the

highways of old at an expense for their operation and maintenance defrayed by public taxation; but with that difference which would go to the question of public policy under government ownership, I maintain that the principles upon which railroads should be regulated, the standards of duty and obligation which they should be required to respect and adhere to, the reasonableness of their charges and their freedom from discriminating practices, should be as complete and ample under private ownership as they assuredly would be under public ownership.

Starting with that primary fact, that you must begin your task of public regulation by requiring the announcement of the rates or tolls and other conditions upon which this service can be secured, you will perceive immediately two classes of questions arise of widely different nature, and requiring widely different treatment. You begin with your railroads in operation and their rates established. One task is to see that those rates and charges are applied impartially to everybody; to see that no one is deprived of his inalienable political rights to use the highway because his neighbor or his business rival gets the use of this public instrumentality on more favorable terms than he is compelled to pay.

The other task is this: If those established schedules of charges, though actually observed in all cases and applied impartially to everybody, are themselves unreasonable, because they are excessive, or unfair because they discriminate between different localities or different articles of traffic, then your task is to find some efficient way of changing those schedules of rates so that they shall be more reasonable and freer from discrimination.

Now, I beg to remind you that these are two very unlike purposes of regulation, and they are to be accomplished by quite different and unlike means. So far as I am able to reflect, I can find no way so efficacious to secure the actual observance of established schedules in all cases and under all circumstances as to make departure from those schedules a criminal offense. Any remedy by civil suit is, in the nature of the case, impracticable. The amount involved in a particular transaction, the pecuniary consequences to a single individual, are ordinarily so small, in comparison with the cost of prosecuting litigation, that any civil remedy to right offenses of that description would prove futile and inadequate.

I might add—and should add—that the application of criminal remedies to prevent rebates and other forms of private discrimination can be powerfully aided by supplemental legislation giving the use of an injunction against a given carrier whose practices in that regard have been made the subject of public knowledge.

Now, the other question—and in a way that seems to me to-day a question of great and growing importance to business men like yourselves—is, if the charges of our railway carriers are excessive, or if, although strictly observed, they operate with discriminating effect, then you want some means, some instrumentality by which the necessary change to promote justice and equality shall be speedily brought about. The application of civil remedies to correct wrongdoing of that description is entirely unsuitable and unavailable. If the present grain rate from Chicago to New York is unreasonable, you would never think of indicting the railroad for maintaining an unreasonable rate. If that rate was not enforced strictly and impartially against all shippers; if some were permitted to get their traffic carried at less than others were required to pay, that you would characterize as an offense involving such moral delinquency that it ought to be placed in the category of crimes and treated accordingly. [Applause.] But the question whether that rate itself which everybody pays is fair and just is a question of dispute, a question of argument, a question involving a great variety of circumstances and conditions; a question the determination of which must take into account a very wide range of reflection and very sound views of the just rights of carriers and a wise public policy. It is right at this point and in view of this fundamental difference which I have thus attempted to describe that I venture to disagree with the distinguished senator who addressed you yesterday.

I have already said that the only effective remedy for rate cutting and all other secret practices which result in giving one man who uses this public service more favorable terms than others are required to pay can only be corrected by criminal proceedings, but when you place a transaction of that kind in the category of misdemeanors you must treat it precisely as you would misdemeanors under any other law or for any other purpose, and the right of any man who is accused of a criminal offense to be tried by jury applies just as completely to one charged with paying or accepting a rebate as it does to one charged with violating the postal laws or the internal revenue laws or any other of the criminal laws of the land.

Therefore, as a practical matter, all your regulating laws, all your methods of procedure, all the things that you attempt to do for the purpose of preventing practices of the sort that I have described, all that goes for the maintenance and integrity of the tariff rate as published, comes exclusively within the jurisdiction of the courts; and there alone can those questions be determined. But when it comes to the other question, is the toll which everybody pays more than ought to be paid; does it yield an excessive revenue to the carrier who is allowed to discharge this governmental function; does it operate with discriminating effect between different localities, or different articles of traffic? Then, I say, you come to the question which the courts cannot and will not satisfactorily determine. And for this fundamental reason, that the question you thus raise is not a judicial question, but a legislative question. Now our courts are constituted for the purpose of enforcing criminal laws, and for

the determination of judicial controversies. The wisdom of experience shows that their procedure must be governed by well-established rules for the needful protection of those who may be wrongfully accused, and that any determination which is reached in cases of that character must be a determination based upon wisdom, upon sworn testimony, upon the testimony of witnesses who can be subjected to cross-examination so that the actual truth in all its bearings may be fully developed. But I do not know, gentlemen, how you can prove that the present grain rate, for example, from St. Louis to New York, or from Kansas City to Galveston, is or is not more than it ought to be. What witness will you call? What question will you ask? How will the ordinary rules of evidence permit you to reach the facts and circumstances which should be taken into account? When you deal with a legislative question you are not limited by rules of evidence, or by sworn testimony, or by judicial precedent. Suppose our theory of regulation was that Congress itself, by direct legislation, should fix all the rates, as it might, how would it be done? Not by a judicial inquiry, not by summoning witnesses and swearing and cross-examining them and having lawyers' arguments and then a conclusion reached based upon that testimony; but as a practical matter a committee would sit and hear all that everybody had to say; a committee which would open the doors as widely to investigation, to inquiry, to statement and to argument as did the Senate committee two years ago, or a year and a half ago, open its doors when the present rate bill was under discussion.

I think it is safe to say that if that committee had been sitting as a judicial body, governed by rules of evidence, they would have excluded nine-tenths of what was said before them during that long discussion. Now, I do not mean to say that there may not be what we call evidence. I am by no means suggesting that there is to be some tribunal other than the legislature itself or a commission, which, acting upon its own knowledge and induced by its own judgment, acting upon any whim or caprice which might actuate it, should arbitrarily and blindly fix established rates which carriers should be compelled to apply; but I do say that the range of inquiry to enable anybody to determine a question of that kind is far wider, more intricate and complicated than can possibly be solved by a strictly judicial inquiry. That is to say again, when you are trying to ascertain whether a given rate is higher than it ought to be, whether it operates to discriminate in favor of this town as against that town; whether it operates to the prejudice of this article of traffic as against that article of traffic, the question you are dealing with is essentially legislative but not judicial. Therefore, the tribunal and instrumentality by which these questions are to be determined must be not a judicial tribunal, but a legislative tribunal. That is to say, under our present theory of regulation the determination of whether existing rates are reasonable or not must be confided to a commission and not to a court. Indeed, it is matter of familiar knowledge to you all that under rebate adjudications it has been held that it is not competent for the courts, it is not within their province, and they have no jurisdiction, to determine what a rate shall be for the future. It is true that under given circumstances and within a limited extent they may say whether a rate that you have paid in the past has been reasonable or not, but they have no power, although the rate is not what it ought to be, to decree what it shall be for the future, because, to repeat, the question you are dealing with is a legislative question.

Now as to our present theory of regulation, bear in mind that this is a subject of immense complexity, of transcendent importance; it touches the life of every individual. It has more to do than anything else with the prosperity of this great country. During the era of speculation and feverishness which followed the Civil War we had thousands and thousands of miles of railroad extended into undeveloped parts of our country. Systems were enlarged and new lines built far in excess of immediate demands, but making provision for the coming future, and a fierce rivalry necessarily arose over the limited traffic then obtainable; and in the absence of any control the grossest discriminations prevailed and the wildest injustice and injury were frequently inflicted. Indeed, it was not until barely twenty years ago, when we had more than 150,000 miles of railroad, and that method of transportation had become the most important of all others in its relations to our rapidly developing country, that Congress first exercised its power conferred upon it by the Constitution which had been adopted 100 years before, and passed the original act to regulate commerce.

And I want to say of that act, as I have in my way said before, that when you consider the conditions which prevailed at that time; when you consider the average conception of men as to the duty of a public carrier and as to their rights in dealing with it, it is on the whole surprising that a law should have been enacted containing such sound and wholesome principles and designed to accomplish such a beneficent purpose. It is familiar now in the light of what has happened and our own constant reflection. No one disputes longer that the rates, or let us say, the tolls, of a public carrier should be reasonable; that there shall be no discrimination between persons or places or commodities; but you must bear in mind that that law was passed when the average notion of men regarded the railroads in much the same light as a factory or warehouse, because it was conducted not by public but by private enterprise, and therefore the man who by one way or another succeeded in getting his traffic carried at less cost to him than others were required to pay was liable to be looked upon as displaying superior business sagacity and entitled to the success which his advantage secured.

Well, we have changed all that. I think you will

rarely find a man to-day who has given this subject any attention, or who realizes its tremendous significance, that will not say that these are great public highways which our government might, if it saw fit, maintain and operate by direct agency; that the right to use these facilities is a political right, and that every political right under our free institutions should be enjoyed equally by every man.

That is an immense stride. It has been most gratifying to me, who have tried in my way to study this question—it is most gratifying to me to observe the marked change in the general attitude of the thought of men toward this subject. In every intelligent mind to-day there is an almost instinctive feeling that to get an advantage in the use of a public highway involves a greater degree of moral delinquency than would ordinarily be found in the case of a pick-pocket or a chicken stealer. Let me illustrate what I have in mind on that point, in this way: Some ten or twelve years ago a railroad president of my acquaintance said to me: "I had a letter the other day from a very prominent shipper on my line, one of our heaviest patrons, in which he asked if I would sell him a pass. He wrote: 'I ride over your road about so much in the course of the year, and at your standard fares that would amount to so much money. If you will send me a pass I would be very glad to mail you a check for that amount.'" My friend, the railroad president, said: "I didn't answer that letter, because I expected to meet the gentleman in a few days. I did so, and had some talk with him, in which I discovered that he wanted that pass, not for the saving of money—that was highly unimportant to him—but because of the fact that it involved a recognition of his superior standing and influence in the community where he resided. He wanted his neighbors and friends to know that he was a man of so much consequence that he could be carried free on the railroad." And within six months back, coming over one afternoon from New York City, I found myself seated beside a member of Congress. When the train had passed through the tunnel and the conductor appeared at the door, this gentleman, whom I knew and with whom I was talking, suddenly rose, went forward and met the conductor in the vestibule. I do not know what occurred, but I am perfectly certain he did not want me to see that he was riding on a pass; not because of my official position; not that he had the slightest idea that I would inform on him or take any proceedings against him—but because he was ashamed of it!

Now, I say that those two little incidents are very significant, and they illustrate forcibly, to my mind, a very great change which has taken place in the attitude and thought of the general public toward this greatest and most fundamental of all our public questions. I believe that the time is near at hand, if it is not already here, when the man who is even suspected of getting a transportation favor which his business rivals do not share will be looked upon with coldness and disfavor as one who does not deserve the good opinion of gentlemen. [Applause.]

Now, I say, so far from finding fault because legislation on this subject has not gone more rapidly or more radically, I think on the whole that perhaps it has developed as speedily and as soundly as on the whole could fairly be expected. To what extent it will be carried, what new fields will be entered upon and in which other direction this vast power of the Congress will be exercised, you and I to-day can only conjecture. Whether we shall reach the point of giving to the Commerce Commission or some similar legislative tribunal the power to prescribe rates in the first instance, as is now done in many of the states, you are as well able to judge as I am.

I think I am not mistaken in assuming that there is on the whole a disposition to give a fair trial to the new law, to test by experience its operations, and then we can determine whether it answers the purposes or whether there must be further and more drastic legislation.

Now, what more can I say? My time is limited and your patience tested. Let me add this: The more I am brought in contact with this great question the more I try to reflect upon the marvelous conditions of this great country, the more I am impressed with the great need in all lines of activity of associated action. I believe in such organizations as this which you have formed. I believe in others of a similar character. I believe in everything of that sort which tends to diffuse intelligence, to make one man familiar with another man's needs, and so to stimulate that consideration and charity for others without which there can be no successful progress. [Applause.] And therefore I deplore any legislation or any sentiment, whatever its motive, which seeks to place the ban of prohibition upon this overmastering tendency everywhere on the part of men to get together and work together.

Not only the great business activities of the country are becoming more and more interdependent, but with them the transportation and the financial interests are so interwoven and interlaced that we are all becoming members of one body. We ought, therefore, to have the largest charity, the widest consideration and the highest spirit of helpfulness; because I am one of those dreamers who believe that the conditions of our modern life, brought about by our marvelous systems of transportation and communication, are not and cannot be adjusted to the theory that competition is the life of trade. I believe that somehow and in some way we shall and must find a method of transferring our whole industrial and transportation agencies from a competitive to a co-operative basis; and you, gentlemen, representing this vast interest, dealing with one of the necessities of life, and your colleagues in similar organizations, influenced by that great spirit of fraternity which is drawing men together in every part of the country, will look upon some of our theories and some of our legislation as antiquated and

absurd, and will help toward the day when there shall be harmony of effort and unity of purpose on the part of all men, and when the highest honor shall be found in the greatest usefulness. [Applause.]

Mr. Collins: Mr. President, I move that a rising vote of thanks be tendered to Chairman Knapp for his vitally interesting address.

The motion at once received several seconds from different parts of the hall.

Mr. Rogers: I rise with a great deal of pleasure to second that motion. The gentleman has traveled all the way from the seat of government at Washington to deliver us this address. I feel, Mr. President and gentlemen, that the Grain Dealers' National Association is peculiarly fortunate to have been addressed by so many very prominent men. Yesterday we were favored with an address by the Governor of this great state of Ohio, followed by the senior Senator of this state, and to-day by the honorable representative of that iron arm of the government, Chairman Knapp.

The question being taken, the motion carried by rising and unanimous vote.

President England: The vote is unanimous.

Mr. Grimes: I would like to make a special request that every gentleman remain in his seat for five minutes. We have a little business that we want all to be made acquainted with.

PRESENTATION TO PRESIDENT ENGLAND.

Mr. John B. Daish then came forward and took position on the stage.

Mr. Daish: It is said somewhere—and I trust you will not ask me for the chapter and verse, because we lawyers are not accustomed to quoting scripture very literally or giving such citations—but it is said somewhere that "There is a time for all things." In my humble judgment there is a time just now, when this great convention, representing one of the greatest industries of this country, should pause in its deliberations, hesitate for but a moment, casting aside transportation, bills of lading and cognate subjects, to pay tribute to one through whose earnest and untiring work this Association has largely been made what it is, one who has contributed by his efforts to the success of this, which I believe we all agree is the greatest meeting which the Grain Dealers' National Association has ever held. [Applause.] No one appreciates more keenly than the friends of President England (applause) the trying circumstances under which he assumed the gavel of this organization. By the resignation of President Goemann the Association was fairly thrust upon him. He thought, no doubt, that when he was made first vice-president he was "safe on first," and that he would not of necessity be called upon to make a "home run;" but as Cincinnati took the plow President England took the gavel. He has wielded it gently but firmly, carefully and cautiously. I believe you will all join with me in lauding his praises, in concurring with others who have said to me that to his efforts the success of this meeting is largely due.

(Addressing President England.) Your friends, sir, of this organization have chosen me, because of the innate modesty of others, to say to you that they appreciate those efforts, which are no more than you have always given to any organization with which you have been connected. They want to express that appreciation in a way, sir, that may be remembered—something that you may hand down to future generations. So they have gotten together and purchased, and desire me to present in their behalf, this loving cup, which I trust you will always appreciate, as I know full well you will. To be short, sir, in the language of the day, you are "all the mustard." Further, sir, you are a "thoroughbred;" and when you have filled that loving cup pray recall that

"The thoroughbred is always true,
Has friends the many, and enemies a few;
Can order meat and drink appropriate,
But never gets upon a skate;
Of clever stories a small stock in trade,
Of toasts a bunch of newly made;
In short, one who goes the limit,
And makes you think you're strictly in it." [Applause.]
Suiting the action to the word, Mr. Daish pre-

sented to retiring President England from his friends in the Association a solid silver loving cup of chaste and elegant design.

President England: Mr. Daish and friends of the Grain Dealers' National Association: If Chairman Knapp knew all the conditions I think he would decide that the bigness of your hearts has induced you to "discriminate." (Laughter.) Seriously, the fact that there is any opportunity for a matter of this kind has taken me by surprise. More than that, the feeling that I have had of my own limitations, that my own efforts have not been satisfactory to me, has impressed me that I was not doing for this Association what I should do—certainly not what I wanted to do. Gentlemen, when I say to you from the bottom of my heart that I appreciate your kindness what more can I say? I have attended your meetings year after year. They have been all of benefit to me. This Association has benefited me in a business way; but nothing of that nature which I have gained, or can hope to gain, is so important in my estimation as the friendships which I have formed by and through this Association. I cherish these as among the warmest and the best that I have ever made; and to have known the better side of so many of you has been a pleasure, an incentive and an encouragement.

Gentlemen, I sincerely thank you, and I feel now that I can exclaim with the Psalmist, "Yea, verily, my cup is full and floweth over." (Applause.)

The report of the secretary of the Uniform Grade Congress was next in order, by previous motion, but the hour for recess having arrived, Mr. King suggested an adjournment until two o'clock, many members being in the act of leaving the hall after the presentation to President England.

President England: We have this afternoon to finish up a great deal of important work. It is really due to the chairmen of the various committees, who have done laborious work during the year, that you all be here at the afternoon session promptly to act upon those reports.

On motion of Mr. King the convention adjourned to two o'clock p. m.

SECOND DAY—FINAL SESSION.

The convention met pursuant to adjournment, President England in the chair.

Mr. A. G. Tyng, chairman, submitted the report of the membership committee, as follows:

REPORT OF MEMBERSHIP COMMITTEE.

The benefits derived by every member of the Grain Dealers' National Association are increased by the addition of each new member. If the organization is large and powerful, it gives protection and assistance to all its members. If the membership is limited, it is of little use to anyone, as its influence is of necessity small. For this reason, it is most important to us all that the membership be largely increased.

At our tenth annual meeting, our direct membership was 307. During the year, 101 additional members were added, making a total of 408. There were 30 lost by withdrawal and a suspension, leaving the present membership 378.

The affiliated membership at the tenth annual meeting was 628. During the year were added—Illinois, 400 members; Oklahoma, 150 members, a total of 550 members, making the present affiliated membership 1,178. The members of the Grain Dealers' National Association are not counted in the state membership of the affiliated members.

Our membership is much below what it should be. There are at least 2,000 concerns handling grain that should be members of this Association. In addition to this, all the state associations should be affiliated with us. In the past year, we have secured two state associations, but there are several more that should be affiliated with us. To this end your committee recommend that the president appoint a committee of members of the Association residing in each state that is not affiliated, and endeavor to arouse sentiment for such affiliations during the coming year.

The question between the Illinois and the Grain Dealers' National Association was as hard a one to settle as could be in any other state, but it was solved by systematic effort, and more can be done in other instances.

In regard to the direct membership we would say that the benefits of the Grain Dealers' National Association to all the larger dealers in grain is so apparent that it would seem as if the matter was properly presented, there should be no trouble in adding a large portion of them to our present membership.

The Trade Rules adopted by this Association have saved trouble and loss to us all, amounting to hundreds of times the membership charged.

The matter of uniform grade which has been

worked on during the past year, when accomplished, will be the greatest step ever taken in the grain trade, and will be productive of the most benefit.

The arbitration feature is one of the greatest value. It is so evident that it is needless to numerate its many benefits.

It is not fair for the large portion of the grain dealers of the United States to reap the benefit of the work of this Association and not give it their personal and financial support.

This committee suggests that the president appoint five members of this Association in each state and ask them to make a list of parties in said states that in their opinion should become members of this Association; and when the names are presented that they be divided among the committee, each member to use such effort as possible to secure the application for membership from the names of his portion of the list. In states where we have no membership, the matter can be handled through the offices of the secretary, or membership committee, and the same results accomplished. It is vital that some steps be taken, and this seems the most simple way to reach results.

We would also suggest that a small pamphlet be prepared by our secretary, which should call attention to the benefits of the Association to parties engaged in handling grain, which can be used in the effort to increase our membership. A copy of our Trade Rules in this pamphlet would make it of additional value.

President England: This is by far the most important matter that you have to deal with. I do not mean by that that there are no more important matters claiming the attention of the Association, but unless you have a pretty well equipped membership you cannot attend to the things that pertain to your organization. I think this report should have more than passing notice. What is your pleasure, gentlemen?

Mr. Grimes: I move, Mr. Chairman, that the report just read be accepted and spread upon the minutes.

The motion was put and carried.

CONFIRMATION BLANK.

President England: I understand that the committee on confirmation blank is prepared to report. Mr. J. M. Dennis, Baltimore, is chairman of that committee and will present the report.

Mr. Dennis: Gentlemen, I beg to submit to you a form that has been recommended by your counsel. I hope that its brevity will recommend it. It is hard to get a confirmation blank that will suit everybody, or one that will meet every condition of the grain trade; but I hope that this simple form will recommend itself to you. The details are covered by the rules of our Association, and I respectfully submit it to you, gentlemen, as follows:

(Confirmation Blank.)

OFFICIAL FORM—GRAIN DEALERS' NATIONAL ASSOCIATION.

Confirmation.

Notice:—If confirmation as below stated is not correct, wire us on receipt of this. (Place) (Date)

Dear Sir:—We confirm purchase of you, as per sale to
our letter of to-day, of cars of
wire bushels
delivery at cents per bushel de-
shipment
livered net weights and inspection
guaranteed by seller. Same to be shipped and
buyer

billed as follows:
Notify
and routed via for delivery by

It is expressly understood that the grain named within is to be shipped as per terms of contract, and that this transaction is to be governed by the Trade Rules of the Grain Dealers' National Association, in force at the time of making this confirmation.

Seller to pay the customary charges for weighing and inspection, if weighed and inspected where such charge is made, and off grades shall be accepted at market difference day after the last car is unloaded.

President England: The chairman of the committee informs me that he has conferred with the representatives of the leading markets in the country. He has been at work on this confirmation blank since the meeting in Chicago a year ago, and, as he states, we cannot devise a confirmation blank that will meet every case, or please everybody; and if there are special transactions involving special contracts it is very easy to make conditions to meet those special occasions. The

report is before you for final action; what is your pleasure?

By request, the blank was again read.

Secretary Courcier: This is in conflict a little bit with the Rules of the National Association, which now provide that off grades shall apply on contract at the market price the day after the last car is unloaded. That is a little technicality, but it was found necessary to amend the Rules in order to take care of elevator conditions with which you are all familiar.

Mr. Morey: Before any action is taken on the report of the committee, I will state that all exchanges in the country recognize the right of the buyer to sell out unmerchantable grain and buy in such as will fill his contract.

Secretary Courcier: We have a rule governing that, that where the grain is not merchantable and cannot be accepted on contract the seller shall be immediately notified and active steps shall be taken to make proper disposition of the grain. That is taken care of. The rules provide that all transactions are to be governed by the Trade Rules of the National Association in force at the time; but you are permitted to make any specific agreement, and, in the absence of such specific agreement, the rules shall apply.

Mr. Tyng: I move that the report of this committee be received and placed on file.

President England: That makes no disposition of this confirmation blank.

Mr. Tyng: I thought it more proper to first receive the report of the committee. I will also include in the motion the adoption of the blank, if you prefer.

President England: If it is your pleasure to separate the matter I will first put the motion to receive and file the report.

REPORT OF THE LEGISLATIVE COMMITTEE

By W. N. Eckhardt

In submitting this report in behalf of the legislative committee, there is little to say of things that have been done since your last annual convention.

The effects of the Hepburn amendments to the interstate commerce act are daily demonstrating their vast importance to the commercial interests of this country, and are essential in promoting the general welfare of varied industries in all directions. Those associations, interests and individuals who gave their time and effort to the promotion of this legislation may well feel proud of the results.

That there are features in this act that may apparently for a time work hardship in some directions, is inevitable; but it is probable that time and diligent effort will smooth the rough spots; the inconsistencies will undoubtedly receive such fair consideration by the railroads and by conflicting interests that they can and will be adjusted satisfactorily to all concerned.

One particular feature that has had the most earnest consideration of commercial interests and the railroads, even while the Hepburn amendments were uppermost in the minds of our representatives in Congress, is the uniform bill of lading, the final recommendations for which will be considered at a conference with the Interstate Commerce Commission in Washington some time during this month.

We do not fail to appreciate the arduous labors of those to whom must be given credit for the progress already made, in offering a few suggestions which to us seem of the utmost importance, believing that a thorough understanding of the terms and conditions at this time is not only desirable, but will also prove mutually beneficial.

The proposed Uniform Bill of Lading, providing that when property is billed "to order," or when the word "order" appears in the face of the bill of lading as a part of the contract, will settle much uncertainty as to the worth of such a document issued by a railroad company. It is a much needed and valuable factor, one that has been assumed to carry with it certain specific guarantees to the holder of such a document in the past, but nevertheless has been made very uncertain by decisions of the courts. It will vest the ownership of the property in the holder of such bill of lading, and as defined, will necessitate absolutely the surrender of such bill of lading to the railroad company at destination before the delivery of the property shall be made. These features will restore the confidence of the business public—notably the bankers—and give it value as a negotiable document without which commercial interests everywhere would be seriously crippled.

Attention is, however, directed to the first paragraph and to the fact that in accepting this bill of lading the shipper, in behalf of himself and his assigns, accepts the conditions in this bill of lading as "just and reasonable." It is necessary, then, to see

Thereupon the motion was so put and carried.

Mr. Tyng: Now, Mr. Chairman, I move that this confirmation blank as proposed by the committee be accepted and endorsed as the blank of the National Association.

President England: The motion is now on the adoption of the confirmation blank as reported. Are there any remarks?

Mr. Grimes: I would simply suggest that the secretary forward copies of that to all members of the organization, stating that it was adopted by this convention, so that they can have copies of it made for their use.

President England: I think the secretary will do that without instructions.

Secretary Courcier: I do not know, I would like to have specific instructions, if you will make them, that this confirmation blank shall be promulgated through the office of the secretary. We like to have instructions in matters involving the expenditure of a little money.

President England: Do you offer that, Mr. Grimes, as an amendment?

Mr. Grimes: Yes, sir.

President England: Very well, the motion is that the confirmation blank be adopted and distributed among the members by the secretary.

Mr. Morey: Will that bind us to accept that and that only?

President England: Not necessarily. You can make as many special contracts to suit special cases as you please. The question was put on the motion and the same carried, and so ordered.

President England: We will now have the report of the legislative committee. Mr. W. N. Eckhardt, chairman of the committee, is ill and unable to be present. The report will be read by the secretary.

that the conditions as mentioned in the bill of lading are just and reasonable; therefore, these conditions demand your careful consideration, and should be well understood before they are finally approved.

First in order is the paragraph dealing with the "Liability of Carriers," which includes the clause, "Inspection will not be permitted on an 'order' bill of lading unless permission is endorsed on the original bill of lading, or given in writing by the shipper." In order to meet this requirement the bill of lading must bear the necessary endorsements, or such an order as is provided.

Section 1, "Exceptions to liabilities," presents the provision that the railroad companies will not be responsible for differences in weight of grain, seeds or other commodities caused by natural shrinkage or "discrepancy in elevator weights." In this same paragraph occurs also the question of responsibility by the railroad company from loss by fire, in which item the after arrival at destination, upon and after the acceptance of orders for the subsequent movement of grain have been received and accepted by them. These questions cannot be too carefully discussed, and the liability of the railroad company or otherwise to the shipper or consignee ought to be clearly defined.

In Section 4 of the bill of lading the item of co-operation arises, and as cars carrying grain or seeds in bulk have always been provided with grain doors by the railroad company, or their cost paid by them, the question whether or not this section releases the railroad company from such liability, or adds additional burdens on the shipper of the property, should be settled in such a way as to fix absolutely the liability of the shipper or the carrier. It is proper that if grain or seeds are transported and cars are the necessary medium for such transportation, that the cars provided for the shipment of this property should be in such condition as to carry it safely to destination. It seems, therefore, a fair assumption that the railroad company should pay the cost, not only of the doors, but also of the co-operation.

As the provisions of this bill of lading are studied and analyzed more carefully, it appears as though the railroad companies were endeavoring to exact its provisions a release, as far as possible, from their liabilities as common carriers, which are, or may be, fixed by state or federal laws. It might commend itself to the trade that either there should be definite and fixed obligations binding the railroad companies to their responsibility to the owners of the property or the holders of the bill of lading, or that some of these indefinite and vague exceptions of liability [should] be left out of the document, leaving the liability of the carrier to be fixed by state or federal law.

Cherishing the most profound respect for the members of the Interstate Commerce Commission, recognizing their high standing as individuals, and that it is their purpose to influence and to enforce the pro-

visions of the amended act in a most impartial manner and without favor for the progress of the commercial interests of this nation, conserving at the same time the undoubted rights and privileges of both the railroads and the shipping public. We are, nevertheless, prompted to make some criticisms on recent decisions and rulings, which we hope may prompt such corrections that there may be no injustice done or onerous burdens imposed on either side.

The Interstate Commerce Commission is understood to favor uniformity in car service rules. The trade has been impressed by the Car Service Associations which have urged this matter with more or less vigor, that these uniform rules mean that the rules shall be uniform at all distributing and transfer points. It must seem reasonably clear to all interested in the trade that uniformity in car service is a question largely of whether or not uniform conditions exist for the handling of grain and commodities in various markets or at various distributing points. Manifestly, where a very large business is handled at any particular point, the measure of time allowed for the handling of the business justifies a rule less rigid and more elastic than where the volume of business handled is small, and where there is no likelihood for congestion due to conditions which affect solely the railroads, and which at times of congestion in the important markets reflect largely on the facilities that are owned, controlled or nominated by the owner of the property for handling, loading and unloading. This question is also made more or less chaotic by the suggestion that the matter of car service is largely a local matter, and properly belongs under the jurisdiction of the state, and is not one that is correctly an "interstate" proposition.

In a recent decision it is held that shippers have no right to dictate the routing of property consigned by them, which is evidently unfair and unjust to the shipper, whose contracts for staples and commodities at the time of execution of same, in many cases, involve routing via specific lines or routes, and by such agreements establish specific values of such staples and commodities, and, therefore, the shipment via any other route or line would be a violation of specific terms of the contract entered into between the parties thereto; consequently the change of route, or line, by the railroad company, without notice to the interested parties, would be practically an abrogation of the original contract, involving the parties interested therein in serious losses, which, under this decision, would leave them without recourse, or any means of recovering for losses sustained.

This is a step in the direction of pooling, on which subject much has latterly been said, and it is broadly stated that both the President and the Interstate Commerce Commission favor such legislation. We enter here our most emphatic protest against any legislation tending in that direction, realizing that pooling means indifference to the necessities of the public, poor service, poor equipment, and discourages that competition and endeavor to merit the good-will by which the business public is assured at least of a reasonable consideration for its welfare and the promotion of mutual interests of both the patrons of and the railroad companies themselves. We can heartily commend the assurance of our worthy chairman of the Interstate Commerce Commission and our guest at this convention that "In Union There Is Strength," but we can and will forcefully apply that energy in opposition to any recommendation or measure that savors of pooling.

In this declared opposition to any amendments to the law that mean pooling, we are, nevertheless, favorable to such amendments as will permit associations of carriers in common territory and agreements between them for the establishment of rates and classifications; provided, that such associations shall be subject to the supervision of the Interstate Commerce Commission and that the right of individual action by any carrier shall be preserved and the shipping public protected against any arbitrary action on part of such association.

In an important ruling made by the Commission, the question of liability for error in quoting a rate by a railroad company or its representative is involved. We believe that the burden of responsibility for incorrect rates quoted by railroad companies or their representatives should not rest upon the public, and suggest that the Interstate Commerce Commission be requested to recommend to Congress or be asked to promulgate a ruling providing that the officers or representatives of carriers shall be obliged to quote rates in writing, and that the responsibility therefor shall rest upon the carriers, but that if such rates should prove to be incorrect, the claims filed for losses arising therefrom—in order to prevent illegal practices—shall be subject to such safeguards, or supervision, as the Interstate Commerce Commission may recommend.

We believe the requirements of the law that tariffs of a railroad company shall be posted in two public and conspicuous places in railway stations is an unnecessary burden and expense, and we recommend that this feature be given more extended attention, with the aim that the effectiveness of publication of rates may be properly brought about with greater economy.

We recommend fair and serious reconsideration by the Interstate Commerce Commission of the revision of the ruling whereby tariffs mailed to the Commission, without sufficient postage affixed, are returned and the effectiveness of the tariffs in question is thereby nullified, or, at least, delayed. While it may serve as an object lesson to the forwarding lines and be a means to bring them to a realization of their duties toward the Commission, it seems as though the Commission could attain their purpose in another way, because it would, under the provisions of the act, likely involve very seriously the patrons of the railroads who under such a system would be innocently made amendable to the punitive provisions of the law.

The large volume of business transacted by the Interstate Commerce Commission, and the needs of the commercial industries of the country for prompt action on questions arising on which the decision of the Interstate Commerce Commission is desirable and more or less imperative, prompts the suggestion that the efficiency of the Commission could be greatly increased by the addition of four members, two of whom shall be practical traffic men and two prominently identified with the commercial industries of the country. The suggestion that additional members to the Commission be composed of traffic men and as recognized representatives of the business community, is prompted by some of the rulings latterly made by the Commission, which give the impression that the points involved were considered from a highly technical, or legal, standpoint in the interpretation of the law, and therefore are not calculated to promote that confidence in

the Commission for uniform fairness toward the business interests of the country which is essential and highly desirable and which we sincerely hope and believe is the aim and purpose to maintain at all times.

On motion, the foregoing report was received and placed on file.

President England: Next on the program is an address, "The Solution of the Shortage Problem," by A. E. Schuyler, assistant weighmaster of the Chicago Board of Trade, a gentleman who has had vast experience in this matter, and I am sure his address will be exceedingly interesting and worthy of your closest attention. Mr. Schuyler, gentlemen.

SOLUTION OF THE SHORTAGE PROBLEM

By A. E. Schuyler

Mr. Schuyler: Mr. President and gentlemen: The title of my paper would suggest the final solution of the shortage problem. As a matter of fact, the only way in which this vexing question can be solved effectually and permanently would be to discontinue shipping grain in bulk. As such a course is not feasible, my paper will suggest methods of relief.

Mr. Schuyler then had recourse to his manuscript. In connection with his paper the writer stated that he would be glad to meet anyone at the close of the session seeking information as to the care and installation of weighing machines. The paper was as follows:

No doubt many in the trade have often wondered what becomes of all the grain that is daily reported as having disappeared in terminal weights, for the initial shipper and terminal elevator man are continually reporting heavy shrinkages, not only in the grain handled through their elevators, but also in the grain that is transported from point to point. Basing the amount of this shrinkage on these reports, the quantity thus disappearing must be enormous. Now three questions arise:

First. What is the ratio of actual shortage to shortage alleged?

Second. What becomes of all the grain alleged to be short?

Third. What causes the losses complained of so constantly?

Surely the railroads can be in no way to blame for these averred losses, for their claim agents invariably tell us that such cars as turn out excessively short are handled with neatness and dispatch, without leakage or theft in transit.

Again, mistakes at the initial loading points are quite out of the question. This is conclusively proved by the affidavits of weight furnished by the shipper.

On the other hand, it would be foolish for me to attribute the cause to the possibility of errors at the terminal unloading elevators; for do not the certificates of weight issued by the terminal weighmasters refute any such charge? And, moreover, whoever heard of a weighmaster making a mistake?

Now, if all be true, these declarations would prove that a shortage was impossible but nevertheless existed. As a matter of fact the causes contributing to claims for shortage in weights on grain shipments are five in number, as follows:

First. Inaccuracy.

Second. Wasteful and dishonest practices.

Third. Leakage.

Fourth. Evaporation.

Fifth. Theft in transit.

It is of the highest importance, for an appreciation of the remedies to be proposed, that the various causes for shortage be clearly fixed in mind, for which purpose we may well consider them one at a time. I will begin then, with the first cause:

Inaccuracy.—Now a shipper who desires to record accurate weights against cars loaded by him must use a reliable weighing machine and use it correctly. The quality of his scale and its installation are the chief factors here. It follows, then, that it is of vital importance in selecting a scale to choose one that will meet all the requirements for accuracy. Right here a word of warning to those contemplating the purchase of weighing machines might be appropriate. I would say, therefore, that in choosing a scale a purchaser should bear in mind that to the average observer an improperly designed weighing machine, constructed of cheap and unsuitable material, appears much the same as a first-class product. It is greatly to be deplored that so much worthless scale material is being imposed upon the public. The manufacture, sale and installation of cheap and loose-jointed scales by careless and incompetent men have added materially to the contention and ill feeling in the matter of weights between the buyers and sellers of grain. In these cheap imitations of machinery, upon which so much depends, accuracy is sacrificed to cheapen the price, and the scale generally is built so that its principal product is trouble rather than correct weights.

Among the worthless weighing machines manufactured is the one known as the "pitless scale," which is being installed extensively throughout the grain producing territory. In this style of scale there is a ten-

dency to crowd the mechanism into a very small space and, in order to do this, it is necessary to shorten the connections between the various levers and their points of suspension. This often causes some of the parts to bind and work hard. Moreover, the consensus of opinion among disinterested experts is that it is not practicable to construct a weighing machine in the small space used in the construction of pitless scales. Furthermore, the material in these scales is cut down in weight to such an extent that under heavy loads the deflections of the levers will often exceed the safe limit. In consequence the necessary alignment is not sustained. Then, too, the entire absence of foundations permits the scale to settle out of level, and in cold weather to be heaved by frost. The very fact that one of the large scale companies, which was forced by competition into the manufacture and sale of these alleged weighing machines, restricts their sale entirely to farmers, is an admission of their unreliability.

Time will not permit me to go into more detail with reference to the scale question. Now a word concerning the second cause for shortage:

Wasteful and Dishonest Practices.—Wilful waste makes woful want to the nation as surely as to the individual. Confucius said: "He that will not economize will have to agonize." Our aim should be to prevent commercial and agricultural agonizing by the wholesome economy of saving—by stopping the avenues of prodigal waste.

Altogether too many shortages are caused by spills in loading; by careless and indifferent sweeping of cars; by the toleration of after-sweeping in railroad yards; by the excessive and unusual handling of grain, whereby the weight is affected; by the tolerance of defective loading spouts and antiquated grain handling machinery; by the use of suction fans and blower attachments; by the tolerance of unfair and excessive dockage.

Some time ago it was my privilege to visit a country point where quantities of grain are handled and transferred. To my surprise I found the loading track there covered with wheat. My inquiries brought forth the fact that this grain had spilled out of different cars during the loading. The man in charge assured me that this wheat would be put into the last car loaded. I wondered then if all the cars loaded that day would finally reach the same unloading elevator. But even so, there would be a variation in the weights arrived at.

Nor is the terminal weighmaster by any means always blameless in the matter of shortage. For even he who makes the business of weighing in all its branches a special study sometimes does the things the shippers of grain are continually being cautioned not to do. It is not long since that a weighmaster at a terminal market admitted to a correspondent that he had no idea when the weighing machines in use in his department had been tested.

Again, too often bureaus of weighing are managed without the adoption and publication of suitable regulations for the guidance and information of such departments and their patrons. The result is, a toleration of obsolescent methods and the use of antiquated grain handling and weighing machinery conducive to inaccuracy, waste and dishonesty and long since obsolete at those markets maintaining well organized and systematized weighing bureaus.

Even in this day of progression, the department of marine weighing of one of our most extensive grain handling lake ports upholds the practice, prevailing at many of the elevators there, of weighing grain in store in small drafts of even weight, ranging in amount from one hundred to two hundred bushels each; and yet, when this same grain is loaded out of store into cars, the weighing is done in drafts of one thousand bushels or more.

All weighmasters should keep in mind that the purposes of a department of weighing are:

To inculcate principles of justice and equity in the weighing of grain;

To furnish weights that are independent of the interests of either party to a transaction; and

To aid in equitable adjustments of disputes, in so far as accurate weights are concerned.

It is the duty of a department chief, therefore, in regulating the details of his office and employees, to see that such regulations are adopted and enforced as may be requisite to protect all interests concerned. Be it remembered that the shipper, by selling his grain on the basis of terminal weights, assumes all of the liability of loss through possible leakage and theft in transit, as well as errors, waste and dishonesty at the terminal points of weighing. It is his

right, therefore, to demand the use of modern equipment in weighing grain; it is the duty of the terminal weighmaster to protect him in all of the details connected therewith, by according him fair and intelligent service; else the objects of a bureau of weighing are not fulfilled and its existence becomes a menace rather than a protection and benefit to the trade. A well informed weighmaster realizes that the quality of the weights of any market determines more than all else the quantity of grain to be handled at such market.

On the other hand, a terminal weighmaster is often unjustly blamed for shortage. I refer in particular to the cause for shortage previously enumerated as number three, namely: "Shortages Caused by Leakages;" especially when such leakage is stopped in transit by the railroads and all evidence of the loss thereby destroyed. I have here a letter which refers to a shortage on a car of wheat for which our department was unjustly blamed. The shipper of this grain wrote as follows:

"Dear Sir:—I have your certificate for car 4931 and it gives the weight of same as 50,100 pounds. We loaded 65,000 pounds of wheat into this car; and we do not propose to be robbed of 15,000 pounds in this manner. We have the best of weighing facilities, and we expect you to get this grain back for us. You do not report the car in bad order. It is clear, therefore, that there is something radically wrong with your weights. We want you to get busy."

Now, although we were exceptionally thorough in our investigation of the matter, we were unable to find a cause for this shortage until we succeeded in getting a friendly railroad clerk to show us the original billing. There, written across its face, was this statement: "Car set out at Vandalia on account of hole in floor."

This leads us to the preparing of cars for grain. The shipper should keep in mind that, primarily, the amount which can be weighed out of a given car at destination depends upon what he has done before the car begins to move.

During the season for the extensive movement of wheat last year, we received far more complaints on account of defective equipment than at any other time during the year. Our investigations at that time brought to our attention, very forcibly, the prime need of cars in loading and cooping by the shipper, as it showed a very large percentage of the cars arriving with wheat were leaking. This leakage was so apparent that the manager of the Shippers' Protective Association called our attention to it in the following communication:

"Dear Sir:—Have you noticed of late the unusually large number of cars containing wheat arriving from Eastern points, especially Indiana, leaking grain? The leakage in the great number of these cars is caused from careless cooping at the side and end sashings. This will undoubtedly result in much loss and many claims for shortage, if something is not done to stop this waste. In the interests of the trade, therefore, it would seem appropriate for you to again caution shippers in regard to their carelessness. I am sure that if their attention was called to the matter there would be less reason for complaint; for being the real sufferers, many of them would, no doubt, act on a suggestion along this line. Yours very truly,

"GEORGE H. MILLER, Manager."

Now to prevent the leakage referred to by Mr. Miller the best results can be secured by the judicious use of a little gunny-sacking or cheese-cloth on the inside of a car, particularly in the older cars. In fact, the use of cheese-cloth in preparing any car for grain is a good insurance against leakage.

[The speaker exhibited an illustrated folder which explains in detail the best and most effective way to line and prepare cars for grain by the use of cheese-cloth and gunny-sacking, and because of the good results attending their application, these instructions have the hearty endorsement of the Chicago Board of Trade Weighing Department. These folders can be obtained by mail gratis, in any desired quantity, by anyone sending his name and address to that department.]

We now come to the fourth cause for shortage:

Evaporation.—If the grain consigned is of poor quality and full of moisture no amount of care on the part of the initial and terminal weighmasters and the carriers can prevent shrinkage. Such grain, especially if it is in a heating condition, will invariably lose in weight. The shrinkage in hot corn frequently amounts to thousands of pounds in a single carload.

I will next discuss the fifth and last cause for shortage:

Theft in Transit.—At all the larger terminals scores of families subsist upon the revenue derived from stealing grain from cars, a condition, let me add that is the cause for much anxiety and annoyance to the men in charge of the weighing at these markets.

During the year 1906 the department of weighing of the Chicago Board of Trade arrested forty-eight persons for stealing and selling stolen grain, and successfully prosecuted forty-four of them. That our constant agitation along this line has greatly reduced the stealing of grain in the yards at Chicago is shown by the decided decrease in the number of arrests; for in 1905 we arrested eighty-nine, securing convictions in all but eight cases; while in 1904, three years ago, there were one hundred and thirty-five arrests with convictions in one hundred and twenty-four cases.

Among our experiences in this connection we have had some intensely interesting incidents; and I will refer to one or two of them to illustrate some of the annoyances a terminal weighmaster has to endure.

The first case I will mention is one of an organized gang of hoodlums whose plan of robbing cars was to enter the railroad yard from the riverside by boat. The location of this yard was such that to apprehend them proved a difficult problem, and caused us much work and worry. We finally accomplished their ar-

rest, however, by disguising our detectives as fishermen and later secured the conviction of the entire number.

Another case of grain pilfering uncovered by us was in a yard belonging to the Belt Railway Company of Chicago. We were greatly annoyed by grain thieves at this point, for which reason one of our employees visited the yard each night and morning. On one of these visits he discovered a woman in a car with a large gunny-sack of corn. He thereupon turned the woman over to the superintendent of a nearby mill, who in turn had her taken to the police station. The woman, then, with a view of aiding her defense, had our deputy arrested, charging him with assault. Of course, when the case against our man was called she failed to prosecute. The Belt Railway, however, then had her indicted for burglary, but, on account of the bungling manner in which the railroad handled the case, she was discharged. She thereupon sued the Belt Railway Company and the Chicago Board of Trade for \$20,000 damages for false arrest, which case, I have been informed, was settled by the railroad for \$25. The president and the vice-president of the Belt Railway, too, received their share of prominence in this case, for, with megaphone headlines, the "Chicago American" took great delight in publishing their pictures as persecutors of the woman. The evidence, nevertheless, clearly showed that her arrest, indictment and trial were justified; and had the matter been



A. E. SCHUYLER.

properly handled, a conviction would undoubtedly have resulted.

In general, the railroads are somewhat indifferent regarding the quality of the police protection furnished to grain. Did they exercise the same vigilance in apprehending grain thieves that they do in preventing the theft of car equipment, grain pilfering in railroad yards would be less frequent. This was demonstrated clearly, some few weeks ago, at a Chicago storage track. In this instance the railroad company, after the theft of a number of car journal brasses, placed men near the cars with shotguns and instructed them to shoot anyone tampering with their cars. It is needless to remark that the theft of brasses on this track ceased.

When we organized our policing department we were greatly handicapped by the lack of co-operation on the part of the railroads. Now, however, these corporations, for the most part, work hand in hand with our detective bureau to the great good of all concerned. In consequence, grain pilfering in the railroad yards at Chicago has been reduced to the minimum.

Turn now to the advantage of co-operation. It is obvious that many remedies have been suggested or explained in describing the various causes for shortage which we have considered. This showing, if accurate, clearly demonstrates that, in spite of all other difficulties and deficiencies, the chief remedies for the principal causes for short weights are in the hands of the initial shipper and terminal weighmaster. Hence, that we may combat successfully the shortage evil, these two forces must join hands, co-operate in their measures and work with one common aim. Failing to do this, the consequent ill feeling will go on day after day without interruption, and all because of misunderstanding and the lack of proper explanations by those concerned. We go on complaining and explaining without co-operation. The result is that investigations and claims innumerable are pigeon-holed and relegated to the waste basket, resulting in irritation, contention and ill-feeling.

Now, when a shipper receives an account of sales which show a shortage on a shipment of grain of five or six per cent, the state of his mind is such that I would not care, on this occasion, to repeat what he probably says. It is enough to say that at times he even indulges in exaggerations. As an illustration of this, I will refer to a complaint in which a shipper wrote that he could not understand why he had so

many shortages on his cars handled at Chicago; while, on the other hand, his shipments to Minneapolis invariably held out within a few pounds of his loading weights. Later, I learned from the weighmaster at Minneapolis that the ultimate weights of this shipper's cars there had been very unsatisfactory, many of them showing shortages as much as eighteen hundred pounds on a single carload.

Then, too, there are many shortages reported that are imaginary. Bitter letters are often written and severe incriminations made over alleged shortages that do not exist. I refer to cases where the handling conditions and weighing facilities at the initial loading points are such that accuracy in weights is almost impossible. In this connection I will refer to a few complaints received by us which will illustrate the cause and remedy for many shortages and the resultant ill-feeling.

My first case is one where the shipper did not weigh the grain he loaded but determined the amount by the car's stenciled capacity. Now the capacity of a car is not determined by the dimensions of the car's box, but by the strength or carrying capacity of its trucks; consequently, it is very important that shippers who do not weigh the grain they load should base their estimate on the cubical space a car contains and not on its marked capacity. The case to which I am about to refer concerned two cars of oats. These cars, although of the same size, were of different capacities. This difference convinced the shipper that an error had been made in weighing and he wrote us as follows:

"Dear Sir:—On June 10th, I loaded two cars with the same kind of oats. One of them was of sixty thousand pounds' capacity and the other of eighty thousand pounds' capacity. Now, I loaded both of them full, still you credit each with about the same amount; therefore, it is evident that you have made a serious mistake in weighing the eighty thousand capacity car, for it must have had a lot more oats in it than the other one. Please explain."

Then there is the shortage in weight to be explained to the man who complained as follows:

"My Dear Sir:—I have receipted returns on car 4826, and notice that it is short of the amount I loaded. I was very careful in handling this car and the shortage is entirely too much."

"I first weighed a barrel full of oats and it showed the barrel held 116 pounds, struck measure. I then loaded in the car 512 barrels. I counted the barrels myself; so, you see, I loaded 416 pounds more than I was paid for, which is too much shrink for me to stand. How can you account for this?"

Before reading the next complaint I would explain that in testing a wagon scale one fifty-pound test weight is of no value. Such scales should be tested with not less than 1,000 pounds of test weights and a heavily loaded wagon. The complaint to which I refer reads as follows:

"Dear Sir:—I want to complain to you about too much shrinkage on my cars. They all run short between three and four hundred pounds each. I know the cause for these shortages is not with my wagon scale, for I test it every morning with a fifty-pound test weight and it always shows correct, no matter what part of the scale platform I put the weight. You had better look the matter up, for I won't stand such a heavy shrink on my cars."

In commenting upon this complaint, I would say that after receiving this letter we tested the shipper's scale and found it out of adjustment, weighing against the cars he loaded to the extent of 240 pounds on a load of grain weighing 60,000 pounds.

Another shipper, when questioned about his wagon scale, stated that it had not been tested since he took hold of the elevator, which was twelve years before, but that he was sure of its accuracy, as he balanced the beam every morning and it balanced all right. As further proof that his scale was correct, he referred to the fact that the farmers were all well satisfied with his weights. A subsequent test of the scale, however, disclosed the cause for their satisfaction, as the test proved the scale to be weighing in their favor.

The few cases I have just cited clearly indicate how imperatively necessary it is for all friends of good weights and honest dealing in the grain trade to co-operate in eliminating the primary causes for short weights; for co-operation is the key to accuracy in weights, and is the ONLY REAL SOLUTION OF THE SHORTAGE PROBLEM. Here the question may arise, in what way should a shipper co-operate with the terminal weighmaster so as best to further the cause of good weights? His field of activity lies chiefly in three directions:

First. After recording the weights which he expects the terminal reports on his cars to equal, he should send to the terminal weighmaster complete information covering each car shipped, thereby enabling the weighmaster, in cases of excessive shortage, to give such cars special attention, with best chances of discovering the responsibility for same.

Second. He should keep in close touch with the terminal weighmaster and keep him well informed as to the amount of shrinkage he is having on his shipments. If the weights of his cars returned from one elevator are not as satisfactory as those returned from another, he should also advise the weighmaster of that fact.

Finally. When discrepancies exist he should explain fully to the terminal weighmaster his methods of handling, details of weighing, kind of scale used and date and details of the last test made.

Be it remembered that one agency alone at either end of the line can accomplish little; but when all shall unite in watchfulness, the carrying and weighing forces becomes Argus-eyed. At one of our great expositions, a magnet was shown of such power that it would sustain a great weight. The magnet was made of thin plates bound together. The magnetic force of a single plate was small—almost insignificant—but the many plates being bound together, the resultant force

was a magnet capable of lifting many hundred pounds. It is so in all undertakings—the unit counts for little. Multiplied units effect much. When shippers, carriers and weighers, bound together by one common interest, shall work together, the percentage of shortage will be reduced to the minimum; and not till then.

ON CROP REPORTS.

President England: Next, gentlemen, is the report of the committee on crop reports. Mr. Frank I. King of Toledo, chairman of that committee, is unavoidably absent. Mr. Grimes is the ranking member of that committee, and I would ask if he is prepared to make the report.

Mr. Grimes: Mr. King notified me that he would be unable to be here to make the report. Through an oversight I have not been able to prepare the report, being so busy with the resolutions. I will say this much, however, that to-day the reports of the government are so much more valuable than they were five years ago that we believe that they can now be almost, if not entirely, relied upon. Five years ago there were not worth mentioning, and, in the opinion of the grain trade all over the country, they were not worth the paper they were printed on. Since that time they have been revolutionized. A great many traveling experts are at work on them, and the government reports are now highly satisfactory.

I want to make another statement that will be of interest to you; that is, that very man who is interested in getting the government reports by telegraph immediately at the time they are sent out to the Associated Press can get them by wire on application to Mr. C. C. Clark, acting chief of the bureau of statistics, Agricultural Department, Washington, D. C. Ask him to put your name on the list, and state that you will pay for the telegram. That is something that some of you may not be familiar with.

I will make my report later and have it published in the journals, so that you can all have a copy. I thank you, gentlemen, very much.

Moved and seconded that the report be accepted and the apology with it. The motion carried.

UNIFORM GRADE CONGRESS.

President England: Now, gentlemen, there was carried over from yesterday the report of the secretary of the Uniform Grade Congress. That is a matter of importance and covers a great deal of ground, but I think the secretary will put it before you in a way that will not tire you, and will make it as brief as possible and bring out the salient points.

Mr. Goodrich: Mr. Chairman, inasmuch as there are so few here, had we not better consider that report read and have a printed copy mailed to each member?

President England: I think that the suggestion that the matter be printed and published is a good one, anyhow. I think it ought to be printed and distributed. There is a good deal there that Mr. Courcier would not be able to read to you now, anyhow, on account of lack of time.

Mr. Strong: I think that we ought to have it printed. I will second the motion.

Mr. McCord: As chairman of the Uniform Grade Congress, I am quite sure that all that matter ought to be put together and printed. It has come to you intermittently at different times in the trade journals, and we have forgotten its proper sequence and connection, perhaps. We have gotten it only in broken doses. Now, if it were all gotten together and a resumé of the whole thing printed our members could read and digest it at their leisure, and they would be thoroughly posted on it. I do not think that reading a part of it at this time would give us the information that we want and which we ought to have on record. We are all interested in it. When published we can keep the trade journals before us and be prepared to know and understand just what has been done and what is the exact status of the matter up to date.

The question was now called for and put on the

motion to instruct the secretary to have the report of the Uniform Grade Congress printed for distribution among the members; and the same carried.

TRADE RULES.

The chair called for the report of the trade rules committee, Mr. E. A. Grubbs, Greenville, Ohio.

Mr. Grubbs: I am not prepared to present any formal report. I think the time assigned to this subject can be profitably spent in discussing it here, if anyone has anything to bring up. I have seen the committee one at a time, and none of them had anything to offer; so that I have no report to make, except that everyone should learn these rules and live up to them.

REPORT OF THE DEMURRAGE COMMITTEE

By C. A. Burks

At the last annual convention of the Grain Dealers' National Association, the following resolution was passed:

"Be it resolved, that a committee of three be appointed from the Grain Dealers' National Association who shall invite the secretary of the National Hay Association and the secretaries of the several state grain associations to act with them to represent the hay and grain interests of the United States, and invite the managers of the transportation companies to join them in a conference relative to the modification and application of car service rules and the adoption of such measures as will facilitate a prompt movement of freight and in such a manner as shall be fair, equitable and just to all parties concerned—said committee to meet at as soon a time as practicable in joint conference and take such action as they deem expedient and report progress during the year to the secretary of the G. D. N. A. and the results of the year's work to the next annual convention."

President Goemann appointed the following members of the committee: C. A. Burks, chairman; G. A. Stibbens, and E. W. Seeds.

The chairman of this committee, early in the year, wrote every member of the demurrage committee and the secretaries of the various state grain dealers' associations, asking their opinion concerning the subject of demurrage.

The secretary of your Association, at the solicitation of your demurrage committee, got out, under date of November 9, 1906, the following circular, which was mailed to members of the National, also the members of the various state associations who were affiliated with the National:

"Decatur, Ill., Nov. 9, 1906.
"To Members:—President Goemann appointed the following demurrage committee: E. W. Seeds, G. A. Stibbens and C. A. Burks, chairman.

"Realizing that we must be able to present to the railroad officials facts which they cannot contradict, it is the purpose of this committee to collect all possible information before it is called together. For the purpose of securing specific cases in which alleged improper demurrage charges, or alleged rules or regulations made respecting demurrage, have been published, also suggestions with respect to desired changes in rules, regulations and charges, we have prepared the following list of interrogatories. Kindly be as specific as possible in preparing your answers, giving the incident as fully as possible, as well as correct movement, day, date, etc. If you do not find space enough hereon to give complete answers, please use extra paper, giving number, or quoting question, before giving your answer:

"No. 1. What car service have you paid during the past two years?

"No. 2. Was the delay caused by you, or was it the fault of the railroad company?

"No. 3. How much free time were you given, in which to load and unload cars?

"No. 4. What demurrage rule is being enforced at your station that you think is unjust and unreasonable?

"No. 5. When cars are ordered for loading do you receive them promptly?

"No. 6. Are cars taken from your sidetrack promptly when loaded?

"No. 7. Do your cars arrive at their destination in a reasonable length of time after having left your stations?

"No. 8. Do you favor reciprocal demurrage?

"No. 9. Do railroad agents fail to file your order for cars?

"No. 10. Do you file your orders for cars in writing?

"No. 11. Have you suffered any losses during the past two years on account of the railway's delay in the shipment of your grain?

"No. 12. What suggestion or advice can you give this committee that you think would assist them in securing better and prompter railway service?

"Being very anxious to call this joint conference at as early a date as possible, your committee respectfully requests that you kindly fill out and return the list to C. A. Burks, chairman, Decatur, Ill., at your earliest possible convenience."

The grain dealers responded very promptly to these inquiries; and as a result, your demurrage committee has a vast fund of information which reflects the condition of the movement of grain throughout the country.

Your chairman also wrote the secretary of the In-

terstate Commerce Commission on August 31st, as follows:

President England: Gentlemen, it seems to be very satisfactory, as there has been no complaint in regard to the Trade Rules, they must be generally acceptable.

The chair called for the report of the committee on demurrage, Mr. C. A. Burks, Decatur, Ind., chairman.

Mr. Burks: I appreciate the lateness of the hour and will be very glad to hand you the report of the committee on demurrage and let it appear in the trade papers, so that we may proceed now with the routine of important business which is before the convention.

On motion it was ordered that the report of the committee on demurrage be accepted and printed for distribution. The report is as follows:

terstate Commerce Commission on August 31st, as follows:

"As chairman of the demurrage committee of the Grain Dealers' National Association, I beg leave to ask if, under the present interstate commerce law, your Commission has power and authority to make rules and prescribe regulations for common carriers on the subject of demurrage. If your Commission has this power, in what manner should this matter be taken up? Kindly give us full instructions.

"If your Commission has not the power, we would be pleased to have you favor us with suggestions as to whom we should take the matter of demurrage and prompt movement of freight up with."

To which the secretary of the Commission replied on September 10th as follows:

"I send you herewith copy of Act to regulate commerce as amended, calling your attention to the second paragraph on page 6, which provision is identical with that of the old law, under which the Commission exercised authority in the matter of demurrage charges.

"I also send to-day under separate cover copies of the annual reports of the Commission for 1904 and 1905, in which, under the head of 'Demurrage' in the indices, you will find reference to all reports and opinions of the Commission on that subject to date.

"It would be a proper—and I think the most effectual—way of bringing the matter of demurrage up for consideration to make an informal statement to the Commission respecting a specific case or cases, in which alleged improper demurrage charges had been applied or alleged improper rules or regulations made respecting demurrage have been published. Suggestions with respect to desired changes in demurrage rules, regulations and charges could be brought up for consideration in that way.

"Upon receipt of the statement suggested, the Commission would take the matter up, informally, with the carriers and by correspondence endeavor to reach a more satisfactory adjustment, failing in which there would remain recourse to formal complaint upon the filing of which the Commission would order a formal hearing, at which all parties interested would have the opportunity to be heard, and all the circumstances and conditions attaching to the case would be fully inquired into. In advance of such hearing, the Commission could not authoritatively determine the justness and reasonableness of any demurrage rate rule or regulation.

"The Commission will take pleasure in rendering your Association any aid within its power, and will be pleased to hear from you at any time, if the information or assistance is required."

You will note in the first paragraph of the secretary's reply he calls attention to a provision which is identical with that of the old law under which the commission exercised authority in demurrage charges.

You will note that the work of your committee up to this point has been the placing on file of information which would put the committee in a position to act intelligently. The subject of reciprocal demurrage has been discussed before your Association, and also before each of the state associations and in the various grain trade papers; and as a result of this discussion and agitation, together with the united action on the part of the various shipping associations in the various states, a number of the state legislatures have passed reciprocal demurrage laws. It will be remembered that the resolution passed at the last convention did not authorize your committee to go into the subject of reciprocal demurrage, but rather to take up the matter of demurrage and demurrage rules with the various railroads. And, in that reciprocal demurrage laws were being enacted in a number of the states, it was thought by your demurrage committee wise to get the result of the enactment of these reciprocal demurrage laws before deciding on a plan to recommend to your Association.

The various railroads of the country formed a few years ago what are known as "Car Service Associations," and enacted demurrage rules without consulting the shippers' interests, which rules, in the main, reflected only the interests of the roads themselves. The use of these demurrage rules, according to the railroads' statements, was to induce the shipper and receiver to both load and unload his freight more promptly so that other shippers might have the use of the equipment; in other words, demurrage rules were to be a means to an end.

These car service associations have been established for a number of years, and have accomplished very

much in the way of securing the prompt loading and unloading of freight. But the railroads have failed, after the shipper has loaded his freight, to move it promptly; and your demurrage committee feels that this is a matter to which it should give thought and consideration. We concede that it is the duty of the shipper and receiver to both load and unload their freight promptly. We hold on the other hand, however, that it is more binding on the part of the railroads to deliver or transport freight more promptly than they have been doing the past few years. It is claimed by the American Shippers' Association that the average interstate shipment is held in transit seven days more than might be considered a reasonable time for its movement. Delay in transit means immeasurable loss, as far as the grain trade is concerned; and anything that will tend to move freight more promptly is what the grain trade is looking for.

The railroads the past year have built more double track, better terminal facilities, and have bought larger and better equipment, but are yet unable to handle the freight which is being offered; and we are to-day practically on the verge of a car famine that will be unprecedented in the history of the grain trade. The agitation which has been in the press of the country, and the sentiment among the shippers and receivers, which has probably been responsible for transportation matters to be taken up before the Interstate Commerce Commission, has caused the railroads to set up the claim that they have not been able to do all that they would have been able to do had it not been that Wall Street refused to furnish them more money for carrying out their plan for bettering their service. This may be true in part, but if the railroads would only give proper consideration to the fact that those in control have manipulated the stocks and affairs of the railroads in the interest of certain cliques and the favored few controlling their stock, we feel certain, from the shipper's standpoint, at least, that they could find in this more of the reason why they have been denied additional capital than from anything that the shippers may have done.

The interests of the shipper and the railroads should be and in the main are identical. The interests of the shipper and the stock gambler are not identical, however; and this is a view of the question at issue that should not be overlooked.

Your demurrage committee is now in possession of information, first, as to the condition from the shippers' standpoint; second, it is also in possession of information as to the position that the Interstate Commerce Commission would take on the subject of demurrage; third, it is also in possession of information as to the attitude of the railroads on the subject of demurrage; and during the coming year it ought to be able to work out a considerable amount of good for the shipper.

Some of the large railroads of the country have already withdrawn from the car service associations to which they belong, and in each instance the railroads, as well as the car service associations themselves, are trying to get closer to the shipper. Less friction and less feeling exists between the shippers of the country and the railroads to-day than existed a year ago. The railroad officials have held themselves too far away from the shippers—too remote. It has been impossible for the shipper, until within the last few months, to get close to the officials in charge of the equipment and transportation.

Whether it will be better for your demurrage committee to take up the matter with the Interstate Commerce Commission and get a ruling, not only on the subject of free time, but also on the subject of demurrage charges, will be one of the first subjects for your new demurrage committee to decide upon. Your present committee feels that whatever procedure is decided upon, the subject of the movement of freight ought not to be overlooked, and is really the paramount issue to-day, from the fact that shippers and receivers alike load and unload their cars promptly in the main, and that the only question before the shippers and the railroads to-day is for the railroads to be able to furnish their equipment, and then in turn to be able to move the cars to destination in a reasonably prompt time.

DISCOUNTS AT NEW YORK.

President England: Gentlemen, there is a short communication here from our New York representative on a matter which is of importance. I would like to have you give your attention while the secretary reads it:

Secretary Courcier then read the following:

Mr. John F. Courcier, Sec'y Grain Dealers' National Assn.

Dear Sir:—The New York delegation desires to announce that their attention has been called to a misrepresentation of the discounts that have been made on wheat for deficiencies of grading in the New York market.

In justice to the institution that we represent, we beg to request that you publicly announce to the members of the Grain Dealers' National Association that the following are and have been the established discounts adopted by agreement of the buyers and receivers on the New York Produce Exchange and that adjustments were made with all shippers accordingly:

Steamer No. 2 red wheat, 1 cent per bushel.
Steamer No. 3 red wheat, 1 cent per bushel.
Steamer No. 4 red wheat, 2 cents per bushel.
Steamer No. 4 red wheat, 2½ cents per bushel.
No Grade red wheat, 2 cents per bushel.
Unmerchantable red wheat, subject to conditions of market on arrival.

For the further information of the members of this Association doing business with the New York market,

we wish to state that the discounts on oats in the New York market at the present time are as follows:

On No. 4 white oats, 1 cent per bushel, unless they are of extreme light weight, when the discount is 2 cents.

On No Grade white oats the discounts run about the same as above stated.

On Unmerchantable Oats, so inspected because of their arriving in a slightly warm, or too warm, condition, 3 cents per bushel.

On hot oats the discount is from 3 to 5 cents per bushel.

Standard Oats in our market have sold at ½ cent per bushel premium over No. 3 white oats.

Yours truly,
JAMES SIMPSON, Chairman.

Oct. 3, 1907.

President England: There is no action necessary to be taken on this. The reading of it is sufficient.

Mr. Brafford: I would like to ask, Mr. President, why they do not print a Produce Exchange Circular as they do at Baltimore, Toledo and other terminal markets? We have to write to brokers to get such information, and it takes about a week to find out what the amount of the discounts was on a certain date. It does seem that with the number of printing presses in New York they could print a Produce Exchange Circular.

Mr. Morey: We should have done so, and I will endeavor to see that the same is done upon my return to New York.

THE ANNUAL ELECTION OF OFFICERS.

President England: Gentlemen, we will now have the report of the committee on nominations.

The report, submitted by the chairman, Mr. Goodrich, was as follows:

To the Grain Dealers' National Association: We, your nominating committee, beg leave to report the following nominations:

President—A. E. Reynolds, Crawfordsville, Ind.
First Vice-President—A. G. Tyng, Peoria, Ill.
Second Vice-President—Jas. L. King, Philadelphia, Pa.

Directors to serve two years—W. A. Washer, Kansas; D. Rothschild, Iowa; L. A. Morey, New York; Chas. Jones, Tennessee; Buran House, Oklahoma.

Further nominations were invited, and none offered, on motion nominations closed.

On motion the secretary was instructed to cast one ballot for the election of the several nominees as reported by the committee.

Secretary Courcier: Gentlemen, I deem it a mark of special favor that I am requested to cast the ballot for the election of the following gentlemen: (Reading list of nominees reported.) The ballot is so cast.

President England: The same are declared duly elected.

INAUGURAL ADDRESS OF THE PRESIDENT

By A. E. Reynolds

Gentlemen, while it is true, as stated by Mr. Grimes, that this honor came entirely unsolicited, I want to add that I am not unmindful or unappreciative of the honor conferred upon me in placing me at the head of this Association at this time and at this place, where it has been manifested that the Association is certainly alive and that we have only started on a new career of usefulness. If there had been any doubt of the magnitude of this Association, that doubt has been set at rest; and you will find that the greatest progress that this Association has ever made will result from the prominence brought to it by the addresses that have been made by such distinguished gentlemen as Governor Harris of Ohio, Senior Senator Foraker, and last, but not least, Chairman Knapp of the Interstate Commerce Commission.

If any had in mind that we were on the decline, that we were but a star of the second magnitude, that idea certainly will be dispelled when the papers of this broad land spread broadcast to the public that we are of such prominence and of such moment that such men as these I have named take the time from their busy lives to speak to us on such matters of importance as we have had before us during this convention.

Gentlemen, no such recognition has ever before come to this Association; neither has it been equaled or paralleled by any trade organization of this country in the past. You do not want to weigh too lightly the effect that such considerations as these will have upon the political organizations of this country. I predict that nothing has ever gone out that will do as much good as the prominence into which we are brought by the recognition accorded us by these gentlemen. (Applause.)

Like those great generals who always before a battle spread out before them a map of the seat of conflict and place their pins showing where they will take up certain positions of strategic importance, and will

Mr. Goodrich: On behalf of Indiana I would like to put in nomination Thomas Morrison for director representing Indiana, to fill out the unexpired term of Mr. Reynolds, promoted to the presidency of the Association.

The chair put the question on the election of Mr. Thomas Morrison of Kokomo, Ind., as a member of the directory from Indiana. The same carried, and Mr. Morrison was declared duly elected.

President England appointed as a committee to escort the newly elected officers to the stage Messrs. Goodrich, Grimes and Voris, who performed the duty assigned to them, and reported through Mr. Goodrich that all officers-elect now present were ready for installation.

The officers-elect were received and welcomed by retiring President England.

President England: In surrendering to you, Mr. President (addressing Mr. Reynolds), this gavel it gives me not only pleasure but satisfaction; pleasure, because having known you for many years, I can bear witness to those personal qualities which endear you to this membership; satisfaction, in that your experience in the affairs of this Association insures that they will be absolutely safe in your hands. [Applause.] You have back of you a loyal, intelligent and earnest membership. They will follow good leadership. What a body of men of this class can accomplish has not yet been fully demonstrated. I believe, sir, that under your administration this Association will continue to progress, and I bespeak for you on behalf of the members generally a most successful and pleasing administration.

Mr. Grimes: Mr. Chairman, previous to the newly elected president offering his remarks I would like to state for the benefit of the gentlemen here present that, as Mr. Reynolds expressed it to me, taking the presidency was like taking a dose of quinine, which nevertheless he anticipated would do him good if he had the proper assistance on the part of the members. Mr. Reynolds' election to this office was forced upon him to a certain extent; in fact, he positively refused; but we felt in selecting him that he was the right man to carry on the work that has been so nicely begun here in Cincinnati. It is but just to Mr. Reynolds to make this statement; and we feel confident that he will perform the duties of the office to your entire satisfaction. [Applause.]

President Reynolds then addressed the convention as follows:

from those positions lay out the lines of battle, so we have the pins all placed. We have the experience of eleven years behind us, and we are now fortified and ready to go forward.

Yet we are only on the threshold of our usefulness. We have done excellent work in the past, but only the merest skirmish lines have as yet been thrown out, and the future will hold rich rewards for all the effort we have put forth. I am not this morning physically in condition, on account of my throat, to make an extended speech, even were I so inclined; but I want to say to you a few things that present themselves to my mind at the beginning of my administration as president of your Association, which are as follows:

First, I think one of the most prominent things to consider and to develop, as was mentioned by Mr. Grimes this morning, is the matter of arbitration. I am sorry to say (and I deprecate the fact) that a few exchanges (I am glad they are very few, gentlemen) have enacted such rules, I will not say intentionally, as have in a measure forced out the country shipper from arbitrating differences occurring in their markets. I deprecate it; and I hope that this Association will use its influence to have the exchanges that have done that kind of thing abolish those rules and make their rules conform to the rules of arbitration that shall be practiced by this Association.

I am sorry that we have been compelled, owing to lack of time, to pass over the matter of the report of the secretary of the Uniform Grade Congress. It is a matter that bespeaks the very closest and most careful attention of every member of this Association; and in now assuming the honor of the presidency I shall look forward to the hearty support and co-operation of every member of this Association in this direction.

I was asked a pointed question to-day by a prominent shipper. He said, "I understand that you are in favor of government inspection," to which I replied,

"Gentlemen, no, I am unalterably opposed to government inspection until we shall show ourselves incapable of controlling our own business." (Applause.) In the talks that I made at the Uniform Grade Congress in Chicago I clearly defined my position on this subject, and I have since had no reason to change my opinion. I found myself in a very unenviable position at the meeting in Indianapolis last January, because some of my very strongest friends at that time advocated government inspection. Gentlemen, government inspection is only to be thought of after we have abandoned the conduct of our own affairs after fighting to the last ditch. (Applause.)

I shall expect in this inspection matter, and in all matters pertaining to inspection in the future, the hearty co-operation of the Chief Grain Inspectors' National Association; and I feel assured from my personal acquaintance with those gentlemen that this Association has their warmest co-operation and well wishes in all affairs pertaining to inspection. I hope we will continue to have it. (Applause.)

All the other important questions, of transportation and minor matters, are all well in hand.

Our very efficient secretary has given a world of work, a wealth of talent, and an attention and energy that is commendable with respect to all the affairs pertaining to your interests, and he will continue to do it; because I cannot conceive of a condition arising by which the new executive board would think for the very smallest instant of any other man for secretary in place of the present incumbent. (Applause.)

Now, gentlemen, there is no measure to our success. All the effort put forth will bring a reward. There is only one measure to the effort: How much cash will you put in the hands of the people whom you have selected to manage the affairs of this Association? The success will be measured by the cash. That may be a harsh way of putting it at this time, but, gentlemen, it is true. You know that the progress of this Association's affairs has been largely handicapped for want of funds; while at the same time there is no price within the bounds of reason that the shipper cannot afford to pay commensurate with his business for the carrying on of the affairs of this Association. Why, what amount of money would induce the men before me to-day to return to the condition of affairs as they were ten years ago? So, gentlemen, I bespeak for the new administration and new board your hearty support and co-operation in the matter of funds.

In conclusion, as the end is drawing close, I want to again thank you one and all for this great honor. I could not stand before you here and feel, as I do feel, that I have the loyal support of this great Association and of my particularly warm friends with whom I have associated in this and other association work, without having a profound feeling of gratitude; and I hope when the time comes for me to surrender this gavel to my successor that I may have gained and may verbally receive the plaudits of this Association, as has my worthy predecessor. (Applause.)

Gentlemen, allow me to present your new vice-president, Mr. Tyng of Peoria.

Mr. Tyng: Gentlemen, I wish to thank you most heartily for the honor that you have done me, and I assure you that anything that hard work or honest effort will do for the Association I will take pleasure in doing. [Applause.]

President-Elect Reynolds: Gentlemen, we are now down to the item of "New Business." What is there to come up under that head? We will hear from the committee on resolutions, Mr. Grimes, chairman.

REPORT OF COMMITTEE ON RESOLUTIONS.

Mr. Grimes: Gentlemen, your committee have some very important resolutions here which they ask you to consider carefully, because we do not wish to rush resolutions through the convention which you might afterward condemn or say should not have been permitted. There is too much of that. Resolutions are sometimes adopted at the latter end of conventions, and go through without any comment, which should have been more closely scrutinized. The committee, however, do not think that you will object to any of these, although you may.

On motion it was voted to consider and act upon the resolutions adopted by the committee serially.

Mr. Grimes read the following resolutions, all of which were adopted except as specially mentioned below:

RAILWAY LEGISLATION.

Resolved, That we request of the national Congress such legislation as will require—

First, that all railroads engaged in interstate traffic shall provide an adequate equipment based on the annual amount of the business of such road, and distribute the same to shippers absolutely without discrimination.

Second, the movement of freight within a definite time after it is loaded, and not less than an average of fifty miles per day toward its destination.

Resolved, That we commend the suggestion of certain railroads for the pooling of equipment, so that any car may be available for service on the tracks of any road on which it may be; in other words, so that a car may always be "at home" and available for load-

ing in any direction, or for any point, regardless of its actual ownership.

PERMANENT COMMITTEE ON CROP REPORT.

Acting upon the suggestion of Secretary Courcier, your meeting would recommend that the officers of this Association appoint a permanent committee to be termed "Committee on Crop Reports," so that this organization may be able to refer matters pertaining to crop reports to the standing committee.

LEAKY CAR REPORT.

Whereas, It is very difficult to collect claims for loss of grain in transit from railway companies, unless all proper showings and notations are made as to condition of cars when inspected and unloaded; therefore, be it

Resolved, By the Grain Dealers' National Association in convention assembled, that all public markets be requested to adopt the "Leaky Car Report" as used by Baltimore, Chicago, Toledo, Buffalo and New Orleans boards of trade.

That the several boards of trade should request the railway companies to have their car inspectors take note of the condition of all cars they may place for inspection and unloading.

That the inspectors and weighmasters be particularly instructed to make such notations and keep a record thereof, and attach a report of the same to each inspection certificate, on each and every car inspected or unloaded.

That the secretary of the National Association be instructed to take up this matter with every public exchange and mail their officers a copy of this resolution.

President Reynolds: Let me call your attention to one thing. Senator Foraker said to you yesterday that if you will agree on things, you can have them done for you. Remember, we are speaking as a unit now. Each one of these resolutions is what you and each member of the Association believes. Do not adopt them too lightly. Of course, Mr. Grimes has brought in a recommendation for the passage of the resolutions, but we do not want anybody to say, "You railroaded them through. We didn't know it was going."

RESOLUTION OF RESPECT.

In the past year this Association has been unfortunate in the loss of four of its very active members, in the persons of Mr. D. Hunter of Hamburg, Iowa; Thos. P. Baxter, of Kansas, and Mr. Smith and Mr. Wm. R. Tillson, both of New York.

These gentlemen were very active in convention work; men of sterling qualities, who had the respect of all who knew them, both in their home cities and among their wide acquaintances throughout the country.

It is with very deep regret that we are compelled to chronicle their loss by death; and at this, our first opportunity, we extend to their bereaved families our heartfelt sympathy.

President Reynolds: This is a last echo of these most estimable gentlemen and co-workers. I suggest a rising vote in favor of these resolutions.

The question being taken by rising vote, the foregoing was unanimously adopted.

ON THE ADOPTION OF UNIFORM SYSTEM OF A WEIGHT AND INSPECTION CERTIFICATE.

Resolved, That this convention recommends—

That all exchanges should adopt a uniform system of weight and inspection certificates and that they be [kept] separate and apart from each other.

That no combination certificate of weights and inspection be allowed; and that, where rules or customs of exchanges, or associations, permit, combination certificates, same should be immediately changed to provide separate and uniform blanks for each.

AS TO ORDER BILL OF LADING.

There seems to exist a feeling by the railroad companies that there should be some discrimination as to values between order bills of lading and open bills of lading, and as yet there has been no plan adopted but quite a number suggested as to the manner in which this state of value should be compensated to the railroad companies.

We, as shippers of grain, however, feel that in justice to the railroad companies there should be some compensation for the risk they run in furnishing order bills of lading.

We, therefore, would recommend and resolve, that it is the sense of this convention that the railroad companies charge a minimum amount, for example, ten cents for every order bill of lading issued. While this charge may and does sound very small, still, when taking into consideration the enormous amount of merchandise that is shipped upon order bills of lading, it can readily be seen that the railroads could accumulate a sinking fund based upon this charge that would largely indemnify them against any loss that may occur by forged bills of lading which they are so anxious to protect, and other means of abusing the order bill of lading.

Therefore, We recommend that this Association take action in this matter along the above lines.

Mr. Brafford: I am opposed to that resolution. The railroads have already tried to put an additional freight charge on per order bills of lading. They have said to us if we would not accept non-negotiable bills of lading that we would have to pay additional for order bills of lading. It has

been discussed a number of times to-day, and the opinion held that it would be very little trouble for the railroads to supervise these order bills of lading the same as they do their tickets. I am opposed to allowing them the slightest charge with our approval for issuing order bills of lading. If you commence that it will only be an opening wedge.

Mr. Dennis: I move that that resolution be tabled. There is nothing whatever to stop these transportation companies from charging anything they please, if this convention endorses a charge on anything. For twenty-five years the transportation companies of this country have been trying to get in a wedge to differentiate between the open bill of lading and the order bill of lading. The common carriers should give to the merchants of this country a clean-cut, negotiable bill of lading that will be a collateral in any bank.

The motion to table was seconded, put and carried.

EX-PRESIDENT HENRY GOEMANN.

It is a well-known fact that at the time that Mr. Henry Goemann accepted the responsible position of president of this organization there was disaffection in the ranks that had caused and was causing a rupture that required a quick and collective mind to steer the ship in safety to the condition and prominence that the organization formerly held.

Mr. Henry Goemann was selected among the many as the proper person to carry out and accomplish this end. He took hold of the organization with that energy that is characteristic of the man; and at the time his business compelled him to give up the presidency of the organization, the latter was on the way to the prosperity of which the present large gathering here to-day is the indication; and the condition of the Association to-day and its prosperity is largely due to ex-President Goemann; and your committee desire, on the part of the Grain Dealers' National Association, to extend to him a hearty vote of thanks.

A VOTE OF THANKS BY THE LADIES.

The ladies in attendance at the Convention have made known to the committee that they are very desirous, indeed, of extending their thanks and appreciation for the excellent manner in which they have been treated by all the committees and the hotel management; and they ask the committee to present the following resolutions of adoption to the convention:

"Resolved, That the ladies in attendance at this convention extend a vote of thanks to the different committees who have had charge of their entertainment, and also to the management of the Hotel Sinton for the very courteous manner in which they have been treated during their stay.

"(Signed) The Ladies of the Convention."

Since the above resolution was written, the ladies have held a meeting and adopted the following resolution:

"The ladies in attendance at the Grain Dealers' National Convention wish to express their hearty appreciation and extend a vote of thanks to the members of the Grain Dealers' National Association, and especially to the grain men of Cincinnati, for their courteous treatment and delightful entertaining during October 2-3, 1907.

"Mrs. Charles A. Burks, Chairlady."

RESOLUTION OF COMMENDATION OF SECRETARY.

It is fully expected that the secretary of any organization should be energetic, active and a hard worker. We have in Mr. John F. Courcier a combination of all of these good qualities. While he is compensated in a moneyed way for his services, this committee feel that it is justified in extending to him the thanks of this convention as a further appreciation of his excellent work during the past year.

RESOLUTION OF THANKS TO THE HOTEL SINTON.

When your committee who had charge of selecting a location for the assembly of this convention visited Cincinnati for that purpose and called upon Mr. Edward N. Roth, manager of the Sinton Hotel, he promised your committee that he would take good care of the convention, and as many of those who were his guests.

Mr. Roth, with the able assistance of his very efficient chief clerk, Mr. Frank E. Jago, has more than fulfilled his promise, and every delegate of the convention who is a guest at the hotel will no doubt bear out this statement. Therefore, be it

Resolved, That this convention extends to Manager Roth and Chief Clerk Jago—in fact, to all employees of the hotel—a vote of thanks for the courteous treatment received while we were guests of the magnificent Sinton.

THANKS TO THE CINCINNATI CHAMBER OF COMMERCE.

In selecting a place of meeting for the Grain Dealers' National Association, quite a number of invitations were extended during the past year, but the officers of the Association felt that a central location easy of access would be the most desirable. They, therefore, selected Cincinnati, Ohio, and under the auspices of the Chamber of Commerce, Cincinnati Shippers' Association and other organized bodies the meeting was called for Cincinnati.

The results, as you have seen, well justified the

wise action on the part of the officers in selecting Cincinnati, it being so favorably located, thereby enabling our members in the North, the South, the East and the West to assemble within a short space of time.

The number that were here make self-evident the fact that no mistake was made in selecting the city of Cincinnati. And the manner also in which the above organized bodies have used their efforts to entertain the members of this organization added largely to the good judgment displayed by the meeting in selecting Cincinnati. Therefore, be it

Resolved, That the thanks of this convention be extended to the Cincinnati Chamber of Commerce, especially to President Bennett and Secretary Chas. H. Murray.

Resolved, That our thanks be extended to the committees appointed by the Chamber of Commerce. They have used every effort possible to make pleasant the stay of the members of this convention while in Cincinnati, and they have succeeded admirably.

RESOLUTION OF APPRECIATION.

This convention desires to extend to his excellency, Governor Harris, its thanks for his attendance at the convention and to assure him that his remarks and presence are more than appreciated.

We also desire to extend our thanks to the Honorable J. B. Foraker for his very able address, and the enthusiasm with which it was received justifies your committee on resolutions in saying that it was very highly appreciated and approved by the convention.

The distinction of having the Honorable Martin A. Knapp, chairman of the Interstate Commerce Commission, address this organization is one that is so very much appreciated that your committee feels that while a standing vote of thanks was extended to him by the convention, there is still due to him for his very excellent and intelligent address this formal resolution. Be it, therefore,

Resolved, That the Grain Dealers' National convention extend to President Knapp very great thanks for the courtesy shown by him in attending the convention and delivering the most elegant address.

We also embody in these resolutions the thanks of the convention to Mr. Wm. Ingle, of the banking interests of Baltimore, for his exhaustive report on the bill of lading question.

RESOLUTIONS THANKING THE PRESIDENT.

A precedent has been set in conventions of this character, especially upon the retiring of officers, to speak of them in resolutions of the very kindest nature.

It affords your committee on resolutions a great deal of pleasure to be able to know that anything that they might say would be the voice of the entire convention as regards the active, energetic and business-like manner in which our retiring president, Mr. Chas. England, has so excellently carried on the work which was so unexpectedly thrust upon him. Be it, therefore,

Resolved, That the most grateful thanks are extended to President England for accepting and carrying to a glorious end his official position.

It is also right and proper, here, to mention the able assistance that was given President England by Vice-President Mayer, who, with his usual energetic and valuable action, accomplished a great deal to bring together this glorious, grand, big crowd. [Resolution was adopted by rising and unanimous vote.]

Mr. Grimes: I have here a communication handed me by Mr. Geo. L. Graham of St. Louis, who desired to bring before the convention the resolutions attached hereto, of which there are quite a number. Mr. Graham is here, and I would like to have him make a little statement before I put this before the convention. It may be possible that it will not be necessary to read the resolutions transmitted by Mr. Graham.

Mr. Graham: Mr. Chairman and gentlemen: Just prior to leaving St. Louis on Tuesday Mr. Jno. Lincoln, our traffic manager, handed me these papers, regarding which a little explanation would be in order. Mr. Lincoln is a very able man. We secured him from the Missouri Pacific Railroad. He has had a life-long experience as a railroad man, and we think that our selection of him was a good one and that he is doing us a great deal of good. Mr. Lincoln is also chairman of the National Industrial Traffic League, which is made up of numerous influential business men from various business centers, not only grain but mercantile business in general in connection with grain. That association has adopted these resolutions, and they request that this Association endorse them or adopt similar ones here, as they choose. The resolutions are a little bit lengthy and it would take up quite a little time to read them. I will read them to the best of my ability if you wish. I have gone over them all carefully, and from my point of view I think they are very good propositions for any public association having dealings with railroads to adopt.

Mr. Grimes: Mr. Chairman, I move that the several resolutions submitted here by Mr. Graham for the St. Louis parties be referred to the

directors, with instructions from this convention that if in their opinion they ought to be adopted they adopt them as the directory for the Association.

The motion was seconded, carried and so ordered.

Mr. Grimes: Your committee on resolutions would like to state in addition, as a verbal report, that at the present time there is great agitation on the subject of the Uniform Bill of Lading. It is a very dangerous proposition, unless properly looked after by the interested parties, as things will get into it that, unless objected to, cannot be easily eliminated. I would move you, Mr. President, that a committee be selected by the chair during the recess to attend the uniform bill of lading hearing at Washington at the proper time.

President Reynolds: It is moved and seconded that a committee be appointed to take charge of this uniform bill of lading proposition. Now, Mr. Grimes, if I understand it properly, that matter comes up in Washington on the 15th of this month before the Interstate Commerce Commission. What is the nature of the hearing at this time, on the 15th of this month?

Mr. Daish: The commission issued an order suggesting that all persons interested in the matter should show cause on that date why the report of the committee of shippers and carriers containing the conditions of proposed bill of lading should not be adopted and promulgated by the Interstate Commerce Commission for use on all the roads. It is in the nature of a "rule to show cause." The shippers and carriers have a right under the order of the commission to present their views prior to or on that date. Prior to that date there will be an oral hearing.

President Reynolds: What has been our representation for this Association in the matter of presenting this bill of lading that is under discussion?

Mr. McCord: John B. Daish did it last June.

Mr. Daish: Speaking directly, this Association had no representative upon the committee which drafted the present proposed bill of lading. It was represented indirectly. Several were interested in the movement, but no grain man was, so far as I know, on the committee which drafted these conditions. Mr. McCord speaks correctly when he says that in June I represented this Association and filed a brief for the Association before the commission upon the correct interpretation of the so-called uniform bill of lading.

President Reynolds: It seems that we have been represented indirectly, and no doubt ably, in this matter. I do not know how many of you are acquainted with the result and know the nature of the proposed bill of lading; but I think the resolution offered by Mr. Grimes is a good thing at this time. Of course, in passing that resolution you have to understand that somebody should be appointed who is sufficiently willing to perform a labor of love to pay their expenses to Washington on the 15th, or we will incur some expense.

Mr. Grimes: In making that resolution I should have added to it that it would be wise perhaps to appoint members of the committee located in or near Washington and Baltimore who are conversant with the situation, as the time is very near and it is only an hour's run or less for the Baltimore people to go to Washington on that date, where they can be met by the people in Washington. I merely make that now as a suggestion, and it will also save the Association perhaps several dollars of expense.

Mr. Kinney: As an amendment, I move that Mr. Daish be appointed a member of that committee when it is appointed.

The above amendment accepted by the original maker, Mr. Grimes.

President Reynolds: I would like to say in this connection that I expect to be in Baltimore and Washington before the 15th, and if you care to vote on the motion with the understanding that I will arrange the matter with Mr. England and

the others when I am in Baltimore you can consider it that way.

The question being taken, the motion carried.

On inquiry by the chair Secretary Courcier reported no further business before the convention.

ADJOURNMENT.

President Reynolds: Is there anything from any of the officers, either officers retiring or officers-elect? Is there anything from any member, whether unfinished or new business? If not, we are approaching the time for adjournment. Immediately after this adjournment the board of directors and officers-elect will hold a meeting in room 933, going directly there from this hall.

If there is nothing further, gentlemen, we are about to close what, in my opinion, has been a most successful and notable meeting.

Mr. Grimes: Mr. Ryan of Cedar Point is here and would like to make a remark or two in regard to our holding the convention at Cedar Point.

President Reynolds: We will waive other matters and hear Mr. Ryan briefly.

Mr. Ryan, of the Cedar Point Resort Company, addressed the convention briefly and was followed by Mr. Guy C. Bennett, of the Niagara Falls Bureau of Publicity, who asked the convention to hold its meeting at Niagara Falls and reviewed its numerous attractions.

Mr. Morey invited the convention to New York City, promising a royal welcome and entertainment.

Mr. Reynolds: Gentlemen, like a beautiful young lady, you are courted by all of these different swains around the country; but the board of directors, under your advice, in the future will flirt with these different suitors, and they will doubtless select some place that will be very acceptable. That is a matter that the board will settle in the future. Now, is there anything further before the house?

No further business offering, the chair declared the convention adjourned sine die.

THE ENTERTAINMENTS.

The principal entertainment feature was a luncheon at the Zoo Club House, at the Zoological Garden, on the evening of October 2. Nothing was left undone which could make the occasion a more delightful one. The ladies were driven to the garden in automobiles early in the afternoon and were joined by the gentlemen at six o'clock, after the day's business sessions were over. The large dining room was filled with tables for the accommodation of about 300, and fully this number were present. There was a string orchestra and mandolin quartette to furnish music. The "Specie Karte," or menu, announced a Dutch lunch and Dutch it was. Appetizing Sauere Rothe Rüben and Succulent Eingemachte Gurken vied with Kapf Kase for the attention of guests; and waiters were frequently addressed with, "I don't know what it is, but I'll take some." And large flagons of the German national beverage were served. There were no speeches; but after luncheon everyone enjoyed themselves socially until the time came for taking the cars to the city.

CONVENTION GLEANINGS.

A. G. Tyng Jr. and C. C. Miles represented the Peoria market.

Director W. S. Washer of Atchison was the only Kansas representative.

From Indianapolis were E. W. Bassett, Bert A. Boyd, J. C. Jordan, Joe T. Gehring.

Two grain men from Michigan—W. E. Sheldon of Jackson and J. M. Coup of Saginaw.

James Connor, C. L. Wright, G. L. Graham and John Dower attended from Merchants' Exchange, St. Louis.

"Swastika," the oldest emblem of good luck, was the design on a pin given with the compliments of Fred W. Kennedy, manufacturer of the Kennedy Car Liner, Shelbyville, Ind. The pre-

sensation was made by the firm's popular representative, Philip G. Hunker, Jr.

A. W. Clark and Fred Abel attended from Cleveland. From Buffalo there were A. S. Heathfield and M. Purcell.

A. F. Leonhardt came up from New Orleans. L. B. Payne from Gallatin, Tenn., and J. B. McLemore and G. Ranger from Nashville.

From Philadelphia there was E. L. Rogers, Jas. L. King, Milton Barenger, W. P. Brazier, E. H. Price, Edwin Delp, Chief Grain Inspector W. J. Duffy.

One of the attractive souvenirs presented was a scarfpin consisting of a grain of corn held in a mesh of gold and given by C. A. Foster of Pittsburgh.

Each one can measure up the good time he had, with the celluloid tape measure which was given by B. D. Heck of the Philip Smith Co., Sidney, Ohio.

Both the McLeod Automatic Scale and Richardson Automatic Scale were shown in operation and every dealer was very much interested in these machines.

The Pittsburgh market was represented by Wm. A. McCaffrey, H. G. Morgan, J. A. A. Geidel, C. A. Foster, R. E. Sheets, Ren Martin, W. N. Gordan and Aaron Wright.

New York City was represented with a delegation consisting of G. A. Morey, S. J. Hill, Jr., W. T. Rubins, C. C. Ramey, C. J. Austin, Otto Kenssch, L. W. Forbell, James Simpson, Edward Beatty.

Wm. A. McCaffrey, of Daniel McCaffrey's Sons Co., Pittsburg, supplied dealers with a special brand of Pittsburg stogies, with a yellow ribbon attached, on which was printed the compliments of his firm.

A good delegation came from Baltimore, including Charles England, P. W. Pitt, W. Leroy Snyder, J. B. Wm. Hax, Chief Grain Inspector Chas. McDonald, H. E. Elgert, Chief Weighmaster J. H. Warren, Jas. A. Clark, Walter Kerwan, L. J. Lederer, O. M. Gibson, F. Megenhardt, John Dennis, D. Yulee Huyett, Will Rodgers, Jas. T. Clendennin.

You had only to look closely to see J. W. McCord wearing Cupid's little dart, which the little god had sent straight to the heart. The wedding will take place October 22. The lady is Miss Mabelle Helen Root, one of the fairest of Michigan's fair women. Mr. McCord's countless friends in the grain trade wish him every happiness.

Insurance interests were represented by J. T. Caldwell and A. H. Stanberry, of Millers' National Insurance Co., Chicago; H. N. Knight, president, and C. A. McCotter, secretary, Grain Dealers' National Mutual Fire Insurance Co., Indianapolis, Ind.; A. R. McKinney, secretary Millers' Mutual Fire Insurance Association of Illinois, Alton, Ill.

The Toledo market sent Chief Grain Inspector E. H. Culver; Fred Mayer, of J. F. Zahm & Co.; W. W. Cummings and W. R. Hadlett, of the J. J. Coon Grain Co.; Fred W. Rundell, of W. A. Rundell & Co.; Charles Knox, of Reynolds Brothers; Harry Cuddeback, of the Cuddeback Grain Co.; H. L. Goemann, of Goemann Grain Co.; K. D. Keilholtz, of Southworth & Co.; Jesse Young; H. R. De Vore; John Smith.

Representatives of machinery houses were W. H. Kaiser, with Weller Mfg. Co., Chicago; A. S. Garman, with Huntley Mfg. Co., Silver Creek, N. Y.; H. R. Richardson and Willard D. Smith, of Richardson Scale Co., New York, N. Y.; G. T. Burrell, of Burrell Engineering & Construction Co., Chicago; Philip G. Hunker, Jr., with Kennedy Car-Liner, Shelbyville, Ind.; A. McLeod and J. H. Brown, of McLeod Bros., Bloomington, Ill.; Reinhardt Smith, Sidney, Ohio; B. D. Heck, of Philip Smith Co., Sidney, Ohio.

The Chicago Special, which left at 2:30 p. m., October 1, carried only a part of the Chicago delegation. There were from that market Secretary Geo. F. Stone of the Chicago Board of Trade; H. A. Foss, chief weighmaster; A. E. Schuyler, assistant weighmaster; J. C. Schmidt,

scale expert; O. C. White, Arthur R. Sawers, E. Rosenbaum, Geo. A. White, H. H. Newell, S. H. Smith, F. D. Austin, A. M. Johnston, R. M. Martin, R. F. Cummings, W. C. Nichols, Gordon Hannah, W. B. Smith, E. P. Salter, J. J. Stream, E. A. Andrews, H. S. Williams, W. C. Grim, W. P. Anderson, C. J. Costello, Luverne A. Lewellyn, J. A. Parks, C. C. Hogan.

THE CHIEF INSPECTORS.

The Chief Grain Inspectors held a meeting on the morning of October 3. There was a general discussion on grades, and they were unanimous for uniform grades and uniform phraseology. E. H. Culver of Toledo, Ohio, was elected president of their Association for the coming year; W. J. Duffy of Philadelphia, vice-president, and Alfred Anderson of Buffalo, secretary.

Three new members were admitted—F. B. Thompkins of Peoria, Sam Smith, Chicago, and Wm. Greiner, Indianapolis.

The following chief inspectors were present:



THE CHIEF GRAIN INSPECTORS' NATIONAL ASSOCIATION.

Seth Catlin, Boston; C. H. Culver, Toledo; Chas. McDonald, Baltimore; W. J. Duffy, Philadelphia; F. B. Thompkins, Peoria; Sam Smith, Chicago; Wm. Greiner, Indianapolis; Homer Chisman, Cincinnati; V. L. Nigh, Cleveland; A. L. Anderson, Buffalo; J. W. Radford, Kansas City.

LIST OF THOSE PRESENT.

Following is a list of those present, other than those named above:

Ohio.—Wm. Green, Paulding; M. W. Miller, Piqua; J. W. Wolcott, Conover; J. S. Dewey, Blanchester; O. T. Roscell, Troy; E. J. Norton, Greenfield; W. F. Heffner, Circleville; S. L. Rice, Metamora; Harry W. Kress, Piqua; W. A. Dull, Willshire; A. B. Beverstock, Lexington; A. C. Roga, Bowling Green; M. F. Crissman, Manchester; Wm. Wendt, Kenton; L. L. Cass, Weston; J. W. McCord, Columbus; C. B. Jenkins, Marion; J. W. Cannel, Millville; R. R. Bales, Circleville; F. H. Owen, Marion; C. K. Peterson, Piqua; J. O. Weimer, Rosewood; H. M. Allen, Troy; G. E. Stevenson, Rosewood; J. Y. Stimmell, Payne; E. T. Custerbender, Sidney; C. F. Barnhouse, Upper Sandusky; C. O. Barnhouse, Agosta; A. E. Clutter, Lima; J. L. Doering, Antwerp; C. M. Myers, Lockbourne; B. F. Kyle, Kyle; T. B. Werts, West Baltimore; J. Rose, West Baltimore; J. W. Burk, Springfield; K. White, Harrod; L. J. Smith, Marion; W. E. Tuttle, Springfield; J. B. Van Wogent, London; E. C. Eikenberry, Camden; D. J. Musselman, Eaton; J. W. McIntyre, Covington; E. W. Seeds, Columbus; W. Hardman, Cable; J. H. Conger, Eaton; T. B. Marshall, Kirkwood; S. P. Buckley, Wilmington; J. S. Harshman, Springfield; H. S. Grimes, Portsmouth; A. V. Perrill, Xenia; C. E. Gross, Circleville; P. H. Harsha, Portsmouth; W. B. Harsha, Harshaville; Chas. T. Pierce, Van Wert; Clarence Gilfillan, Castine; C. W. Tontins, Lewisburg; H. J. Niswonger,

Arcanum; C. Rhonemus, Reesville; C. N. Adlard, Piqua; W. A. Woodward, Urbana; E. G. Kochl, Reading; B. H. Wess, Winton Place; H. Wonker, Carthage; F. O. Diver, Middleton; J. E. Pearson, Condit; J. E. Shollenbarger, Collinsville; B. F. Garrett, Collinsville; F. E. Becker, Hamilton; John B. Ervin, Jamestown; C. H. Ervin, Xenia; F. P. Hastings, Cedarville; A. C. George, Jamestown; T. J. Greuve, St. Marys; M. H. Lorey, Lima; W. C. Lorey, Convey; E. C. Marshall, Convey; I. M. Peterson, Gettysburg; Byron D. Silver, West Jefferson; W. H. Riddle, John E. Leas, West Manchester; E. D. Sexton, Lockland; Alden Beatley, Kings Creek; Willis Jones, Mount Sterling; A. G. McDill, College Corner; G. C. Smith, Morrow; G. W. Lamb, Hooker; F. Zartman, Jamestown; C. H. Little, Xenia; G. N. Perrill, Powersville; J. A. Crawford, Washington C. H.; H. A. Dillon, North Lewisburg; W. S. Fogel, Broadway; P. C. Miller, Celina; C. E. Lloyd, Washington C. H.; H. G. Calvert, Celina; J. I. Blose, Urbana; J. McDonald, Washington C. H.; Lawrence Schunck and W. P. Palmer, Celina; H. O. Barnhouse, Raymond; H. H. Payne, Camden; John M. Jones, Bloomington; E. L. Abbott, Columbus.

Indiana.—E. Hutchinson, Arlington; E. W. Ball, Rushville; E. R. Myer, Rushville; C. G. Egly, Berne; W. F. Cook, La Crosse; T. J. Lewis, Rome; J. L. Schalk, Anderson; J. W. Simmons, Pemberton; E. M. Wasmuth, Roanoke; W. B. Foresman, Lafayette; M. L. Conley, Frankfort; W. H. Goings, Richmond; T. O. Stanley, Logan Station; G. L. Moberly, Windsor; A. L. Nelson, Montpelier; C. E. Nichols, Lowell; J. G.

Johnson, Logansport; C. M. Basler, Kokomo; J. C. Hadley, Windfall; Geo. C. Wood, Windfall; C. F. Seward, Kokomo; T. A. McCoy, Liberty; J. F. Good, Warren; T. A. Morrison, Frankfort; Wm. Simmons, Kentland; J. Ray, Grand View; P. Goodrich, Winchester; F. J. Baird, Advance; J. L. Green, Indianapolis; C. E. Bash, Huntington; Bert A. Boyd, Indianapolis; W. H. Aiman, Pendleton; C. J. Bushel, Bluffton; J. S. Hazelriggs, Cambridge City; E. A. Feight, Frankton; W. A. Vaybinger, Osgood; J. C. Ratchelor, Sharpsville; J. H. Stewart, Manson; H. Murray, Goodland; J. W. Sayle, Bluffton; F. B. Fox, Tipton; J. T. Gehring, Indianapolis; F. M. Montgomery, Indianapolis; W. J. Riley, Indianapolis; E. W. Bassett, Indianapolis; W. Nading, Shelbyville; A. M. Wellington, Anderson; A. P. Watkins, Lincoln; C. S. Patton and J. A. Zike, Morristown; Albert Poling, Adams; Wm. McClure, Union City; W. V. Trautman, Medora; J. J. Anderson, Carthage; C. G. Clark, Rushville; C. Johnson, Falmouth; C. E. Elliott and J. C. Hermann, Muncie; J. N. Gowan, Summitville; L. B. Barley, Wanatah; J. A. Manch, Monroeville; C. C. Jordan, Summitville; F. H. Hagenbeech, Sulphur Springs; E. K. Howard, Middleton; G. H. Lewis, Lawrenceburg; S. G. Holmis, Portland; A. F. Files, Muncie; C. Longhry, Monticello; F. S. Demoret, Path; A. C. Brown, Rushville; J. R. Stafford, Phillips; A. E. Reynolds, Crawfordsville; C. S. Pierce and G. Northlane, Union City; W. A. Wart, Kitchell; Martin Leffer, St. Paul; S. A. Miller, Mulberry; M. Niezer, Monroeville; Aaron Gardener, Cottage Grove; H. S. Gardener, Kitchell; O. J. Thompson, Kokomo; T. A. White, Indianapolis; J. V. Aney, Brownsville.

Illinois.—S. W. Strong, Pontiac; H. L. Kaga, Camargo; H. G. Smith, Sheldon; C. H. Wilson, Danville; R. C. Baldwin, Bloomington; C. E. Lewis, Bloomington; H. N. Knight, Monticello; C. T. McWorters, Tuscola; A. V. S. Lloyd, Bloomington; J. E. Collins, Garrett; I. H. French, Champagne; J. P. Woolford, Galton; A. M. Blythe, Gays; H. Hasenwinkle, Bloomington; J. L. Bush, Tuscola; B. S. Williams, Sheffield; J. C. Rowe, Huyet; L. J. Keiser, Newman; H. I. Baldwin, Decatur; John Sipp, Bourbon; D. M.

Wayne, Delavan; P. Van Leunan, Decatur; T. D. Harrison, Villa Grove.

East and Southeast.—G. Y. Banks, Columbus, Ga.; C. R. Blakeley, Binghamton, N. Y.; J. D. Steele, Charleston, W. Va.; H. H. Johnson, Washington, D. C.; Wm. Croger, Asheville, N. C.; C. C. Zimmerman, Holsopple, Pa.; F. J. Ludwig, Boston, Mass.; J. D. Shanahan, Washington, D. C.; J. Gregg, Jr., Atlanta, Ga.; Hugh Baird, Columbus, Ga.; C. D. Hunt, Jr., Columbus, Ga.; W. S. Upshur, Newport News, Va.; Geo. F. Read, Boston, Mass.; Dan Joseph, Columbus, Ga.; and McHenry Peters, Lynchburg, Va.

Kentucky.—Alfred Brandis, Louisville; J. W. Ellis, Bellevue; J. R. Sharr, Jett; W. O. Carrick, Georgetown; H. H. Bingham, Louisville; W. B. Talbert, Lexington; J. M. Haggin, A. B. Blight and W. H. Henderson, Lexington; J. H. Hermes, Newport; A. Gowling, Newport; C. E. Nippert, Newport; J. H. Dorsell, Newport; J. C. Everett, Maysville.

SOME MACON COUNTY CORN.

Corn grows to surprising length by the gently flowing rivers of Illinois, and Governor Oglesby had reason to exclaim, "Aye the corn, the royal corn, in which is health and strength for all the nations." Six ears of Macon County's royal corn were taken by H. I. Baldwin of Decatur to the



"LOOKS GOOD TO EVERYBODY."

annual meeting of the Grain Dealers' National Association, at Cincinnati. Our photographer secured a snapshot of Mr. Baldwin's exhibit, and Macon County, if she sent such corn to the Corn Congress and Exposition at Chicago, will bear away some of the prize money.

WISCONSIN INSPECTION AGAIN.

The effort at Superior, Wis., to have Judge Sanborn of the federal court at Madison modify his injunction restraining the Wisconsin Grain Commission from interfering in any manner with the handling of grain at the Globe Elevator has been a failure. Some weeks ago, in an attempt to revive Wisconsin inspection at Superior, application for a modification of his injunction order was made to Judge Sanborn, who expressed an inclination to yield, but said he would first hear any objections on behalf of the Globe Elevator Company, whose attorney thereupon filed certain objections. Briefly, it was alleged that a modification of the order would make it burdensome for his company in the matter of the local yard situation. It was claimed that much confusion would exist and that the yard would probably get blocked by having two inspections of grain. The attorney further insisted that the court had no authority to grant a modification of the injunction, and, upon this showing, Judge Sanborn concluded to take the same view, holding that he had no right to interfere until a hearing or consideration of all the facts as they appear in the testimony had been passed upon. Among other things in his decision, Judge Sanborn says:

"I am satisfied that the rights of the parties are settled until final hearing, and that they have the right to insist that no modification of the injunction shall be made, inasmuch as the decision was based on the ground that the legislation of Wisconsin is absolutely void. This being so, the change in the

situation brought about by the decision of the Railroad Commission of Wisconsin does not change the case so as to authorize a modification of the injunction."

The decision of the Railroad Commission referred to, handed down a few months ago, commanded the Great Northern and Itsaca elevator companies to throw open their elevators to the receiving of public grains. Following this decision the Commissioners had hoped the railroad companies, which agreed to accept it, would consent to a partial enforcement of the Wisconsin grain law at least.

In the meantime the suit of the Duluth-Superior Milling Company, involving the same question of the validity of this law, was put on trial at Superior in the state court. The complainants plead that the state grain law is a local measure, enacted for a single locality, Superior, and therefore unconstitutional, and in support of the contention filed the depositions of Clement Stern, A. L. Kern and John J. Crittendon of Milwaukee and George M. Heath of La Crosse, by whom it was shown that the milling business in those cities is operated in the same manner as it is carried on in Superior, and that the law is made to apply only to the mills operating in Superior. The case is still in the hands of the court.

A POINT IN GASOLINE ENGINE OPERATION.

It is not well to conclude in every instance where the charges that an engine takes are not all fired that the fault lies in the battery or the sparking mechanism, says a writer in the Blacksmith and Wheelwright. This is the general conclusion and often misleads and keeps the operator away from the real cause, and after he does everything he can think of with the igniting mechanism to improve its working power and effectiveness, perhaps goes to the expense of renewing his battery, which is unnecessary, he becomes disgusted and sends for an expert, who probably puts the engine in order at an additional expense of from fifteen to twenty-five dollars.

All the trouble, time lost and expense were necessary because the operator did not keep in close touch with the condition of the valves, valve cams and rollers. Carelessness on the part of the operator in overlooking any of the vital parts will result in trouble and expense, and the proper condition of the valves and valve cams and rollers is extremely vital to the successful operation of the gas engine. In close relation to these cams and cam rollers are the gears that drive them. On many engines they are of the worm variety and if they are not kept clean and well lubricated they soon become badly worn, which condition amounts to exactly the same state of affairs as above described, and if the gears, cams and rollers are all badly worn one can imagine the deplorable condition the engine is in.

BOOK ON SOILS.

"Soils: Their properties, improvements, management and the problems of crop growing and crop feeding," is the title of a new book by Charles William Burkett, director of the agricultural experiment station of the Kansas State Agricultural College, recently published by the Orange Judd Company, New York. It is illustrated; has 303 pages, and is bound in brown cloth; price, \$1.25.

Professor Burkett has succeeded in giving to a very dry subject an interest that makes the book as readable as it is instructive; and for the reading course of a rural school or for private study at home it would be hard to find a more valuable work on this subject.

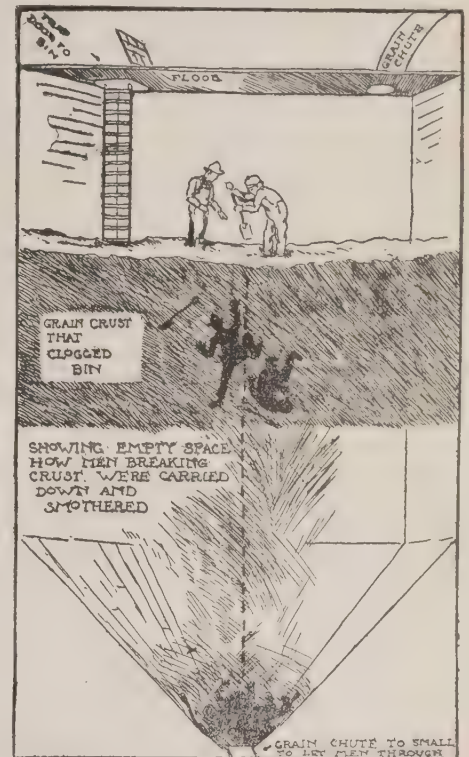
The chapters cover the details of the soil makers, and how they work; the contents and texture of soils; how plants feed and what they feed on; the roles of tillage and soil waters; the improvement of soils and how to correct their defects; the use of manures, tools, dairy animals, etc., for the

renovation of worn-out soils, winding up with a bit of advice: "Make the farm a factory."

A REMARKABLE ACCIDENT.

The illustration, taken from the Boston Post, shows, better than words can tell it, how two men—James Stewart, aged 63, a foreman, of Somerville, and Michael Nolan, aged 25, a laborer, whose home is in Lawrence—were smothered under 2,000 bushels of corn screenings on September 15. Their fellow workmen labored with all possible speed for nearly half an hour to remove the screenings in order, if possible, to save the men's lives.

The fatal accident took place at the Mystic Wharf grain elevators of the Boston & Maine Railroad, on the Charlestown side of the Chelsea Bridge. From testimony of employes at the elevator it appears that Stewart and Nolan were standing on the edge of the bin, armed with 40-foot steel bars, with which they were endeavoring to dislodge or start



HOW IT HAPPENED.

the movement of the screenings which were caked across the top of the bin so hard that walking appeared perfectly safe. "Come on, Nolan," cried out Stewart to his assistant, as he walked out on the crusted screenings. The former demurred, but finally consented. Scarcely had the two men stepped on the surface when the entire mass gave way and precipitated them to the bottom of the bin. So sudden was their disappearance that no outcry was heard.

The dimensions of the bin were 7x12x60 feet. Fifteen feet from the bottom of the bin, which space the men believed to have been filled with grain, was hollow. The top mass, once started, sucked the two men down to the bottom of the hopper with the grain on top of them. Their bodies were taken out dead, of course.

The Grain Traders' Elevator Co., Chicago, announces that its rates for storage on grain the first ten days are one-half of 1c per bu. This is a cut of ¼c on the regular storage rate, but all grain held over ten days is charged one-fortieth of 1c per bu. for each day thereafter, which is the regular rate. The insurance on grain in the Grain Traders' Elevator is 1¼ per cent, which is lower than in most grain warehouses of class A. James B. Wayman, who for many years managed the National elevator for Murry Nelson, is manager of the Grain Traders' Elevator Company and Murry Nelson, Jr., is president.



PUBLISHED ON THE FIFTEENTH OF EACH MONTH BY

MITCHELL BROS. COMPANY

(INCORPORATED.)

OFFICE:

**Manhattan Building, 315 Dearborn Street,
CHICAGO, ILL.**

HARLEY H. MITCHELL.....Editor
A. J. MITCHELL.....Business Manager

Subscription Price, - - - - \$1.00 per Year
English and Foreign Subscription, - 1.75 " "

ADVERTISING.

This paper has a large circulation among the elevator men and grain dealers of the country, and is the best medium in the United States for reaching persons connected with this trade. Advertising rates made known upon application.

CORRESPONDENCE.

We solicit correspondence upon all topics of interest connected with the handling of grain or cognate subjects.

CHICAGO, ILL., OCTOBER 15, 1907.

Official Paper of the Illinois Grain Dealers' Association.

FUTURE RAILWAY LEGISLATION.

The most definite proposition for the future development of the theory of Government regulation of the railways is that made by Commissioner Prouty to the American Bar Association, to wit, that the organization of the Commerce Commission be completed by the creation of a new department to be called the Department of Transportation—a suggestion which the Washington press says is gaining ground rapidly.

Mr. Prouty, in a few words, would separate the functions with which the Commission is now burdened. First, it is the duty of the Commission to see that the highways are in fact "public highways"; second, the Commission must enforce the provision of the act to regulate commerce, that is, regulate rates, practices and regulations of the railways. Mr. Prouty declares that this immense jurisdiction, which is really the greatest delegated to any department of the Government, has made the Commission top-heavy. Therefore, he would have a Commission to investigate and advise and a higher tribunal to exercise the judicial functions of the Commission.

As it stands now, the Commission—of inadequate size—must divide its time and strength to cover as much ground as possible; with the result that its decisions are inevitably delayed, even to the degree that when they do appear their effect is lost—the occasion has passed and their influence, except as precedents, has been dissipated.

Mr. Prouty has stated a condition that all who have occasion to follow the work of the Commission know is inevitable under present conditions and one that cannot but grow more serious in the future. The Commission is rap-

idly and surely being overwhelmed—buried hopelessly, with work. The problem is to "get action."

THE NATIONAL CONVENTION.

The convention of the National Association for 1907 has gone into history. On the records of the Association it will be entitled to a red underscore. Like the Des Moines meeting, it marks the beginning of a new era. Heretofore the Association has aimed at national influence; at Cincinnati it definitely entered upon a national career. An organization that can command on a single occasion the time and the thought of the Governor of a great state, of the senior Senator of a great state and of the chairman of the Commerce Commission has arrived at a point in its career when the self-respect of the trade must furnish the impetus to its further achievement.

The bete noir of all commercial associations is the low estimate of their importance by their own members, more especially by the rank and file of the individuals concerned, the majority of whom are not members of associations, but should be. This Grain Dealers' National Association has been no exception; but the Cincinnati convention should change the attitude of both apathetic shippers and indifferent receivers and elevate the Association so far in the trade's own self-estimation that grain dealers, either as members of existing local associations or as individuals, will feel, what is the fact, that membership in such a body has become a mark of distinction well worth one's consideration. Moreover, the coming has been hastened by the convention of the day when the dealer who isolates himself from his contemporaries or competitors, who is content to reap the harvest of other men's efforts in behalf of the trade without contributing to those results by personal service or purse, will have to stand up and answer, "Why?" The National Association has before it many questions that concern the grain trade of the nation, and it is the neighborly privilege, no less than the personal duty, of every man in the trade to contribute his share to bring about the reforms the trade needs.

THE UNIFORM BILL OF LADING.

To the exhaustive exposition of the status of the uniform bill of lading as presented to the national convention by Mr. Ingle and the subsequent discussion nothing can be added here, except the reminder to the reader that this is a matter that directly concerns *you*. The farther removed you may be from the condition and the position of the millionaire the more seriously it concerns you and threatens your continued ability to do business on anything like a reasonable amount of capital. If you still are in doubt why this is so read Mr. Ingle's address a second time and make the personal application—don't imagine that you are an exception.

At present the bill of lading is before the Commerce Commission, which to-day will hear arguments for and against its promulgation, to take effect on January 1 next. But the power of the Commission to prescribe the forms of the bill of lading to be used by all classes of ship-

pers is not definitely established, and it may be necessary to incorporate such grant of power in the commerce law itself, which brings the matter to the personal attention of the grain dealers. In the event that the Commerce Commission cannot, or does not, protect the rights of the dealer to an order bill of lading satisfactory in form to the banking interests, which must accept them as collateral, the dealer must appeal to his representatives in Congress for the relief required; wherefore it behooves the careful man to keep close watch of the uniform bill and govern himself accordingly.

SENATOR FORAKER'S VIEWS.

The congressional vacation, with its opportunities for rubbing elbows with his constituents in Ohio, has not been without its wholesome influence upon Senator Foraker. The fresh country air and the flavor of real cow milk and home-churned butter and succulent green stuff have made him less pessimistic. He feels, indeed, a lull in business caused by presidential utterance, but he sees a turn of the tide coming "before we reach the stages of panic and disaster."

The Senator has not entirely recovered, however, from his antipathy to the "rate bill" and the President's theory of control, a year's experience with which, he said at Cincinnati, "has been sufficient to demonstrate that it has not fully met the expectations of its friends." It will have to be amended, therefore, but upon what lines the Senator cannot say. Certain it is he is in favor of legalized pooling and of eliminating the imprisonment penalty for its violation (a penalty President Woodrow Wilson of Princeton believes must be incorporated in all effective anti-trust laws).

The pooling idea is in accord with the views of the President, Secretary Taft and Commissioner Knapp; but when one remembers that the pooling system, prior to 1887, proved to be no corrective of railway assaults upon each other nor beneficial to the public, one is not enthusiastic about its power to bring about a different result now; and surely there is no natural reason why the aggregated capital of the many should be lifted by law above the influence of the competition which limits public exploitation by the individual; nor is it clear how the higher benefits to the consumer can obtain without the stimulus of competition to, at least, better service in order to attract business.

This, however, is another story. We are now concerned with the fact that the senior Senator from Ohio gives shippers the assurance (that one would not quite have expected from him two years ago) that when the people really find out just what they do want Congress will put it upon the statute books—and then some.

The date of the fall meeting of the Ohio Grain Dealers' Association has been again changed, owing to an important election on the day set. The correct date is Friday, November 8—don't forget it. Make your arrangements to be there. The talk will be largely on corn; and it will pay you to know what is said and

to talk in person with dealers right from the field.

THE CORN EXPOSITION.

The Corn Exposition at Chicago is a typical Western festa. There are, as the picture shows, exhibits of corn of all varieties and colors, from pure white and pure yellow to the ensanguined "Bloody Butcher" and all the intervening gradations of "calicos." There are also pumpkins galore and pop-corn that makes the mouth water. Twenty men and maidens daily present a reproduction of the ancient Greek worship at the shrine of Ceres; then, shifting from classic costume to the makeup of the rural class, they illustrate the old-fashioned husking-bee with refreshments of cider and pumpkin pie and horseplay and the privileges that attend the discovery of red ears. In the intervals there are lectures on corn and corn breeding and practical corn culture.

This is not very much—in the telling. But the Exposition has been more than it may have seemed to the casual visitor. It is a result, but one of that kind which shows but little of the real effort that brought it about. For a year the exhibitors have been working to bring to this show the ears of corn entered for the prizes—little enough in themselves, perhaps some will say, but the influence on the corn of the future can hardly be estimated, even were this exposition of the year's work to stop now; but it will not. To the growers of the corn here shown, this Exhibition is but a beginning, in many cases; to the corn growers who saw here for the first time, with a realizing sense, what can be done for corn by selection and culture, it will be a stimulating revelation; so that the influence of the Exposition on the corn of the future can hardly be overestimated.

THE BARLEY SITUATION.

The new pure-food laws are given the credit by the public for the phenomenal rise in the price of malting barley this fall, the theory being that the new laws require the use of barley malt exclusively in the brewing of malt liquors. This, of course, is not the fact. While it is true that malt substitutes have been freely used by brewers for a number of years, it is not true that those substitutes have been unwholesome or illegitimate materials, being, as a matter of fact, merely grits of corn or rice, from which is brewed quite as wholesome a product as from barley malt. Indeed, it is a question whether the American beer drinker would in these days take as kindly to a pure barley malt beer as he does to the lighter "Pilsener" beers in which brewers' corn grits are so freely used.

No, the secret of barley's flight at this time is a demand for malting barley that is greater than the supply. There has been some increase in the barley acreage in recent years, and the yield has increased from 59 million bushels in 1900 to 179 millions in 1906 (materially less this year); but of malting barley the yield by no means keeps pace with the annual increase in the production of malt liquors.

There is, therefore, ample justification for the work of Prof. Moore, the agronomist of

the Wisconsin Station, who is doing so much to cultivate the habit of growing more and better barley in Wisconsin. No cereal is likely for years to come, so long as lager beer continues to be the popular beverage it is, to be more profitable to the farmer than barley which is grown and handled scientifically to enable the owner to ship "choice brewing," which will always bring a profit-making price.

MAKE IT PERSONAL.

The address of Mr. Schuyler at Cincinnati amounts to a complete treatise on shortages. Whatever is said hereafter on that subject from a technical standpoint must be but variations on the theme. Nevertheless, the last word on shortages has not been said, and will not be until human nature itself has changed. The disposition of men to do just as little work as they can and to shirk as much as possible and live is responsible for so large a percentage of the losses by leakage from grain cars that one hesitates to state an estimate in cold figures.

But half the men who read Mr. Schuyler's address will never think of taking it home to themselves—Mr. Schuyler was speaking of the "other fellow," of course. To be of value, as Mr. Schuyler intended the address to be and as he has a right to expect it should be, after so much labor to make the exposition clear and comprehensive, the facts assembled must be apprehended subjectively by the reader—accepted as a personal rebuke for carelessness in the past and as a guide for securing immunity from loss in the future. If shippers will but do this and lecture their men on the topic they will put money in their purses and do much to wipe out the reflection on business habits that are again exposed in the Baltimore weighman's August report—that 25 per cent of the cars of grain arrived there in bad order.

CONVENTION REPORT.

While the report, on other pages, of the national convention has not that profusion of illustration which is the habit of some trade papers to use to embellish convention records, its completeness will commend it to the reader who realizes that the convention was a means only and not an end, or, at least, not the end par excellence of the Association's work. It is the habit of a type of men to decry "talk"—nothing appeals but "doing something." Nevertheless, the things that abide are those only that are supported by public opinion, which becomes concrete only after almost interminable talk—like the making of the Constitution of the nation, the abolition of slavery, the creation and amendment of the interstate commerce act and other great and little reforms that each may himself recall. The man who objects to the talk that comes from thinkers or from the men who are intimately in touch with other men in large numbers is either an egoist or is lazy; and of these few are readers of these lines.

For which reason, as this convention was distinguished by the exceptionally high level of its speeches, its official reports and its few discussions, we have no apology to make for the apparent length of this record.

THE WESTERN WATERWAYS.

The President has done the cause of Western waterways improvement an immense—an incalculable service by the unmistakable enthusiasm of his support of the general proposition that the completest development of the great Mississippi Valley is very largely dependent upon the utilization of her waterways. To her rivers the valley was indebted primarily for her early settlement, the Ohio River proving the wedge that opened the West; and upon her bosom came the pioneers who built the great states of Ohio, Kentucky, Indiana and Illinois, all erected as states of the Union before the Erie Canal made a new water route to the Northwest via the Great Lakes. The Ohio and Mississippi, in like manner, made New Orleans, which, before the Civil War, was, after New York and Philadelphia, the third commercial city of the Union.

The decline of the rivers as commercial highways since the Civil War and the era of railway building is due as much to their direction of flow as to any other cause. The world's great commercial currents have always run, and still run, from east to west; the commercial development of our nation, in the same way, has been from east to west—across the great rivers, which, the Ohio excepted, flow from north to south. When the railroads came the states began to fill up back of and beyond the river basins, and the streams ceased to be the exclusive highways, for obvious reasons.

Now, however, the great West is filled up; traffic runs in all directions; an immense local traffic has been built up, compared with which the export trade is a mere bagatelle, and which the rail carriers cannot handle as cheaply as it must be handled for the future, when, as in all densely populated lands, the margins of profit become smaller and smaller, forcing the minutest economies, as indicated by the coins current among the people, which are subdivided to permit the smallest purchases—the centime in France, the farthing in Great Britain, and so on. We need canals and improved rivers, therefore, in order that the economies of waterborne freight may be realized, not so much between widely separated markets as locally. The West is very rich in such streams, and now that their ultimate size and character is practically determined, the improvements made in the near future should last for all time.

As the habitual reader of these columns will remember, this paper is not enthusiastic about ship canals *per se* in a prairie country. Deep-water vessels never seek the rivers for traffic and enter them only incidentally; but we do need steamboat channels and barge canals like the new Erie Canal; and these the nation should build. And the nation is well able to pay for this work. The treasury surplus of this year alone would be sufficient to construct two lakes-to-gulf waterways, such as was asked for by the Memphis convention, "and then some." It is up to the people of the valley to make their demands heard in a way that counts. Hitherto this great project has been but a local shibboleth of the Chicago Sanitary District; to-day, thanks to the President, it has become the ideal of the "heart of the nation."

Editorial Mention.

It's the barley grower who is buying autos and sparklers this fall.

The co-operative spell binders are kept very busy nowadays trying to hold things together.

The next "big show" at Chicago will be the World's Pure Food Show, on November 19 to 25 inclusive.

Canadian grain growers and "independent" dealers are still harping on government ownership of country and terminal elevators.

As usual, the majority of farmers have been slow in gathering their seed corn this year, and yet the crop can never be better than the seed.

Will it pay to hold corn? asks the farmer. Well, if the dealer pays you only what your soggy new corn is worth, it will pay to hold it, Mr. Farmer.

Experiments with Indian corn in the Palouse district of Washington have been so satisfactory that it is said a number of farmers are planning to plant corn next season.

Colorado, which has been doing some remarkable stunts in wheat yields, comes to the front with a barley yield of 47 acres that averaged 143 bushels per acre, all good malting.

The North Dakota Insurance Commissioner has issued a "warning" to two grain dealers' mutual insurance companies which have been soliciting business in that state by mail—they are "unauthorized."

There will be a meeting of the Illinois Grain Dealers' Association at Peoria on Thursday, October 17. There will be present delegates from all the local associations, and all grain men are invited to attend.

Ordinarily Iowa feeds 80 per cent of her corn, but prices are so high at this time that feeders say they will stop buying until the price falls to 40 cents or below. But 25 per cent of Iowa corn is soft, and there is really only an average crop to start with.

The absence of a "bumper crop" this year has been no great relief to the bankers, who find that the demand for money to move the crop is quite as urgent as usual. When a single car of barley brings \$1,976.78, as one did at Minneapolis on October 7 (2,037 bushels), it is clear the farmers are not going broke very hard.

The theory that the "constituent" does not care for the congressional packages of seed seems to be a misconception of fact. When Congressman Kuestermann of the Green Bay district of Wisconsin advertised he would send seeds to no one who did not make personal application for them, he secured 4,000 requests within a week; and from appearances he will be forced to ask some of the Wisconsin city

members to help him out. Under the circumstances, the campaign to cut out the appropriation will again have uphill work ahead of it.

The Agricultural Department is going to investigate the cause of the discount on durum in the Northwestern markets. But will the inquiry be as thorough as some durum-spring wheat growers don't want it to be?

The Hermitage Elevator at Nashville, Tenn., is another railroad elevator operated for the public only; and it is pleasing to know that it is doing great things for the Nashville grain trade and is doubtless making money also by its operation as a public elevator.

Zahm & Co. of Toledo, who handle a great deal of southern Illinois wheat, find shippers are forwarding the usual proportion of heated, musty or mowburnt grain. They recommend to shippers that they run it occasionally to give it the benefit of a good airing; and, above all, they advise examining the farmers' offerings carefully and see that they do not mix last year's bad wheat with this year's new grain.

Some people are unappreciative. A certain Kansas agent ran a "booze" mill in the depot and made Blankville a "great grain town" by unloading booze into the train gang in exchange for cars whenever cars were wanted. But the other stations which also wanted cars complained, and now the "gentlemanly agent," "a good man," is under bond, just because he "tried to do too much." As the late Artemus Ward might say, this is, indeed, "too much."

The International European Committee has decided to postpone, for the immediate present, at least, the formulating of a grain certificate, which they intended to offer American shippers as the Europeans' ideas of what a certificate should be. The committee guessed, apparently quite accurately, that in the "present position of the market" the Americans would not "accept the amendment," and there seems to be no chance of passing it over the heads of the objectors.

Several suits have been brought recently in Illinois and Iowa by grain buyers against farmers who, as prices advanced, have defaulted their contracts. Now, much as any friction of this kind is to be deplored, it is, of course, imperative that dealers must enforce their contract rights, if they hope to go on buying by contract. Let one farmer "bluff" successfully and the entire neighborhood would "follow suit" on every profitable occasion. Mutual respect and confidence would be gone.

The usual warnings will go out to dealers about selling corn to arrive, owing to the car situation, which is certain to be as serious this year as at any time during recent years. They will not be much heeded, because all are anxious to do business. It may be suggested, too, that consigning is safer; but, at any rate, the careful man will look to his office records with a view to protecting himself in case of loss by delay as well as by damage en route. The dealer who has his chain of evidence complete

rarely has difficulty in collecting his actual losses; it is the man who keeps his books in slipshod way who has trouble.

The counsel of the Iowa Grain Dealers' Association is of opinion that a seller of grain cannot hold the buyer to the legal number of pounds per bushel if the custom of the market to take a different number of pounds is known to the seller. The custom must be uniform and general and be conformed to at all times and by all parties. This is important to know, especially by handlers of oats and barley where long custom has made 50 pounds of barley and 33 pounds of oats a bushel, recognized as such by both sellers and buyers.

The U. S. Circuit Court of Appeals at Denver has affirmed the judgment fining the Great Northern Railroad \$15,000 for rebating. The court holds that "the Hepburn act is an amendatory act and not a repealing act; that in so far as it repeats or reproduces portions of the Elkins act it continues them in force and makes no break in the law; and that in so far as it omits or changes provisions of the Elkins act it repeals them." This seems to endorse the Landis construction of the act; and will have a tendency to discourage any further rebating, and to make past offenders uneasy.

Judge Lochren of the federal court at St. Paul has enjoined the enforcement of commodity rates ordered by the Minnesota Railroad Commission, to become effective on June 1. Meantime the 2-cent fare and the Commission's commodity rates in effect September 1, 1906, are in force. The court holds that state rate-making is not an interference with interstate commerce; but he appears to be anxious lest the new rates of June 1 may reduce railway earnings. He assumes that the rate law of the late Minnesota legislature "is vicious and a disgrace almost to the civilization of the age. It is a reproach on the intelligence and sense of justice of any legislature which would promote acts of that kind;" and stops the action of the law until the court is satisfied by evidence and argument that he is right in his assumption.

Line companies are in court to test the law of North Dakota requiring them to return the certificate of inspection and weighmaster's certificate of weight at terminals to local buyers. We perhaps do not quite understand; but if the words mean just what they say, read in one way, we understand still less the objection to living up to the law; for the independent shipper would clearly be entitled to such a return. But if the return is expected to be published for the edification of the original seller of the grain, we can hardly understand its necessity; for he cannot be properly interested in the grade or weight of grain in which he has no proprietary interest, and the posting of it for public inspection would be a work of supererogation, in the first place, and a revelation of private affairs that would have no real justification. No farmer is obliged to sell his grain unless the price is satisfactory to himself; after he has passed title to it, its sub-

sequent destiny, in loss or profit to the buyer, can be no legitimate concern of anyone but the owner.

In a suit by Merriam & Holmquist at Omaha (to collect from the U. P. R. R. Co. \$83,967.57 for rebates or drawbacks on grain handled and shipped to competitors of the plaintiff by giving such competitors undue, unfair and illegal advantage over the plaintiffs in the aggregate amount named at the rate of $1\frac{1}{4}$ cents per hundred pounds from the regular freight schedules announced by the defendants, but has not allowed such rebates to the plaintiff) the plaintiffs in the federal court won the first victory on the pleadings; and it looks now as if the "allowances" will get a judicial airing on their merits.

The Mo. Pac. R. R. defends its ownership of an elevator in Missouri on the ground that it is a needed facility for the storing and handling of grain for shippers, the attorney-general having attacked that ownership as outside the company's chartered privileges. Technically the courts have been inclined to support the attorney-general's position; but it is time that point of view were subjected to revision, time having demonstrated that it is necessary to proper public service that the railroad should own and operate elevators for the "storing and handling of grain for shippers." But it should be directly and not by proxy, as has been the rule for so many years.

At this season get your brine barrels ready. Use chloride of calcium—it's better than salt for brine and does not corrode. Go over the entire plant. Get your mutual insurance company's owner's examination blank and make a personal survey of the risk. It is a very common habit of elevator owners, as of other insurers, to be very particular to guard against some special hazards and to overlook others that are quite as dangerous. The elevator has its own peculiar risks, and no one is quite so well qualified to give the elevator man a hint for his own safety as the mutual insurance company he patronizes. The Grain Dealers' Mutual, we know, has a form for self-examination. Get a copy and go through the premises at once.

Chief Inspector Cowen of Chicago has been in Omaha, where his late chief clerk, George B. Powell, directs the inspection; and naturally he was interviewed. "I am not in favor of Government inspection of grain, but I am in favor of Government supervision of the transportation and transfer of grain," said Mr. Cowen; and he continued:

Under the present system the grain you ship is not the grain that gets to the final destination and in innumerable cases the grain that gets there is not of the same grade as the grain you shipped. It is a lower grade, of course. The consignee kicks and the shipper loses the money.

It is this way: The grain you Omaha men sent to Chicago is transferred to boats at Chicago, it is transferred again to cars at Buffalo and at New York or some other Eastern port it is transferred again to boat for some European port. So your grain is handled several times between here and Liverpool. Every man who handles it sees that it is good grain, so he takes out a few thousand bushels and puts in a few thousand bushels of lower grade. Your grain starts away No. 2 and reaches its destination No. 3 or 4. I know one cargo of wheat which started to Scotland as No. 2

wheat, and when it got there it was nothing but screenings. Every bushel of wheat had been stolen on the way.

Such a condition as this is one reason why there is apparently such a difference of inspection standards among the various grain markets.

There should be a Government official at each grain market to see that the grain is not stolen in the transfer. I would not have Government inspection because there would be so much red tape connected with it that a man with a grievance would die of old age before he could get it adjusted.

There is a difference in the functions Mr. Cowen is discussing, of course; but, really, under a sharp cross-examination, Mr. Cowen might find it difficult to define the distinction; more particularly as somehow it impresses one that the inspection has something to do with the petering away of the sound grain in the way he describes.

Canadians are awaiting with no little interest the report of the Royal Grain Commission, which has been investigating the conduct of the grain trade of the Dominion. In spite of the uncommon amount of politics involved, former President Bettinger believes the Winnipeg Grain Exchange, one of the targets of complaint, will get a "clean bill." The Exchange has recently amended its rules to meet the complaint of the Grain Growers' Association that it was excluded from the Exchange floor, hence the feeling of security. However, the radicals' demands are so far reaching that in spite of the seeming confidence of the Winnipeg brokers and commission men one would not be surprised if the Commission's report proved more "gingery" than they now expect.

The status, legally speaking, of the penalty clause of co-operative companies has yet to be judicially passed upon. For obvious reasons it is difficult to get a case started. In Illinois a couple of years ago it seemed that the question would be brought to a hearing, but the farmers about Monticello who were involved preferred to dodge it, and the occasion lapsed. In Iowa, for the same reason as in Illinois, the penalty clause companies have been permitted to go on with their slugging of competition by this device; but it is gratifying to see that Messrs. DeWolf & Wells Co. of Marathon, Storm Lake and other stations have taken measures to protect themselves by advertising in the following terms:

It being a matter of common report that at several stations where we do business farmers are restrained and intimidated in the free marketing of their grain by a Penalty Clause in the By-Laws of competing corporations in which their personal interest is often extremely limited as compared to the volume of grain they have for sale; and, whereas, they are thus deprived of the free right of contract to which every American citizen is entitled, and are often compelled to take less than their grain is worth, to their detriment and our own, and being advised by eminent counsel that said Penalty Clause is illegal and non-enforceable,

We wish all farmers to know that at any station where we do business we will enter into written contract with any person selling us grain to indemnify them against all loss or damage through the legal enforcement of said Penalty Clause and will furnish free of cost a competent attorney to defend any suit brought against such parties to collect said penalty.

This firm action may be instrumental in bringing the question to an issue under the Stillman law, if not under the common law. At any rate, it is likely the advertisement will itself neutralize the nuisance in the territory in which the company named operates.

COMMUNICATED

[We invite correspondence from everyone in any way interested in the grain trade on all topics connected therewith. We wish to see a general exchange of opinion on all subjects which pertain to the interest of the trade at large, or any branch of it.]

FITS ALL INTERESTS.

Editor American Elevator and Grain Trade:—
Herewith our check for advance payment of our subscription to the "American Elevator and Grain Trade." Your good paper should be on the desk of any grain dealer, whether he be large or small. It fits all interests.
Yours truly,
Hicksville, Ohio. EARL C. BEAR.

BOUGHT AN ELEVATOR.

Editor American Elevator and Grain Trade:—
We have bought and now have possession of the J. F. Davidson Elevator at Champaign, Ill., on the Big Four Railway. We also own and operate an elevator at Tipton on the C. & E. I. Ry.
Yours truly,
Champaign, Ill. DRYER & BART.

NO RUSH OF GRAIN AS YET.

Editor American Elevator and Grain Trade:—
Herewith \$1 for my 1908 subscription. Note change in address to Jamestown from Ypsilanti, N. D.
Am not running an elevator for myself this season, as I have plenty to take care of with office work here at Jamestown and looking after the houses at Bloom, Eldridge, Melville, Divide and Hurdsville.
Our crop is very poor this year, and there is no rush of grain at any of the above points; in fact, it is hard to realize that we are in the fall season.
Yours truly,
Jamestown, N. D. A. R. THOMPSON.

M. & O. R. R. CO. AT NEW ORLEANS.

Editor American Elevator and Grain Trade:—
We beg to announce that the Export Grain Elevator at Chalmette, during the coming season, will be operated by the New Orleans Terminal Company as an open house, which means that everybody will be treated alike.

This elevator has been thoroughly overhauled; is under an efficient management; has dryers and cleaners; and the weighing of grain will be done by the New Orleans Board of Trade. The cost and methods of handling will be the same as prevail at other New Orleans export elevators, such as Westwego and Stuyvesant Docks.

The Chalmette Elevator has a carrying capacity of 500,000 bushels. A constant depth of 30 feet of water is maintained at Chalmette Wharf, so that the largest ships coming into this port can readily be taken care of. All grain routed via the Mobile & Ohio Railroad through the port of New Orleans for export to European countries will be handled through this elevator.

Yours respectfully, N. M. LEACH,
Assistant General Freight Agent.
New Orleans, La.

The Pierce-Stephenson Elevator Co. of La Crosse, Wis., which operates a line of elevators in Minnesota and South Dakota, has changed its name to the W. H. Pierce Elevator Co. M. Stephenson of Brownsdale, Minn., has disposed of his interests to J. A. Grisdale of La Crosse.

The St. Louis Merchants' Exchange has brought about an agreement with the railroads of that market which provides for the payment of freight charges on grain on the basis of the actual weight of the grain unloaded from cars, the weights to be certified to by the Merchants' Exchange Weighing Bureau, or the weighmasters of the Board of Railroad and Warehouse Commissioners of Illinois and Missouri. The grain commission companies agree to give bond for the payment of freight charges.

TRADE NOTES

The Stephens-Adamson Manufacturing Co., Aurora, Ill., is building a new brick boiler room.

Catalogue No. 69A, recently issued by the Jeffrey Mfg. Co. of Columbus, Ohio, is devoted to screening machinery for handling minerals and similar substances. Copies will be mailed free to interested parties.

A clever folder advertising Frictionless babbit metal has been received from the Great Western Manufacturing Co., of Leavenworth, Kan. It is on the "before and after taking" order and shows the good results following the use of Frictionless metal for journal bearings.

The Corn Products Refining Co. has purchased a large Hess Drier for the new plant which is being erected at Waukegan, Ill. This drier will be used exclusively in drying soft corn, and will have a daily capacity of 30,000 to 40,000 bushels. The drier building is being erected and it is expected that the machine will be put into use during December or January.

The Hess Warming and Ventilating Co., Chicago, reports an unusual demand for driers, due to the fact that the corn crop in almost all sections is immature, soft and green. It is apparent that enormous quantities of grain will require drying during the coming winter, and the high prices will afford very substantial profits in handling the off grades. Among recent purchasers of Hess Driers are: Stevens Scott Grain Co., Wichita, Kan.; Standard Milling Co. (2 driers), Clarksburg, W. Va.; Waverly-Sayre Co., Waverly, N. Y.; H. A. Klyce Co., Dyersburg, Tenn.; Halsted Bros., Brookston, Tenn.; Seeds Hay and Grain Co. (2 driers), Columbus, Ohio; Risser-Rollins Co., Kankakee, Ill.; Ohio Cereal Co., Circleville, Ohio; Sioux City Seed and Nursery Co., Sioux City, Iowa; Buffalo Cereal Co., Buffalo, N. Y.

The Grain Shippers' Mutual Fire Insurance Association of Ida Grove, Iowa, has just celebrated its tenth anniversary and has issued a statement showing the growth of the Association in ten years. The first policies were written in September, 1897, when risks amounting to \$104,000 were put in force. At present the risks in force aggregate \$6,600,000, while since January 1, 1907, the Association has paid losses of \$31,857.93. Since its organization the Association has paid losses amounting to \$351,950.49, no just claim ever having been resisted. During the same period the amount returned to policyholders in the form of dividends has been \$250,000. Much of the success of the Association has been due to its efficient secretary, F. D. Babcock, who will be pleased to correspond with grain dealers on the subject of insurance.

The Minneapolis Steel and Machinery Co. of Minneapolis, Minn., is sending out a clever booklet entitled "What Happens When Advertising Stops." It is from the pen of Elbert Hubbard and tells the story of the Mammoth Cave of Kentucky. Time was when the Cave was considered one of the wonders of the world. No cultured person was thought to have completed his education until he had visited it. But the man who owned the Cave—and advertised it—died, and the place went out of business as a money-maker. The Cave is still there, but it is no longer advertised and consequently fails to attract visitors. The Minneapolis Steel and Machinery Co. is determined that no Mammoth Cave symptoms shall develop in its business, and to this end is steadily pursuing its advertising campaign. The company has just issued an illustrated brochure of the Twin City Heavy Duty Corliss Engine, intended to give prospective purchasers all the information needed to decide intelligently concerning the selection of engines of this class. It is

a 6x9 book of some 40 pages and is printed in a style intended to be in keeping with the character of the engine it faithfully illustrates and describes. A copy of this book will be sent free to any power user. During the present year an average of ten engines a month are being shipped from the company's shops.

A new 130-page catalogue has just been published by the Richardson Scale Co. of New York. It is one of the most complete books of the kind ever issued by the company, and gives full particulars about the Richardson Scales for various purposes. In addition to illustrating and describing the various types of Richardson Scales, photographs are reproduced showing the scales in operation in a large number of mills and other plants. The whole subject of automatic weighing is treated at length and the catalogue will make interesting reading for millers and grain dealers.

FACTS AND FIGURES

Send us the grain news from your neighborhood. Labor is so scarce in Kansas that it is difficult to get wheat thrashed.

Alabama's "Convict Farm No. 4" produced 20,000 bushels of corn this season.

North Dakota receives about \$140,000 annually from grain elevator business.

Peoria is having a business that keeps the elevators at work almost continuously.

For the first time in history the first trades in July oats were made at 50 cents and over.

Kansas City is preparing for a Cereal Exposition to be held there in 1908. A fund of \$70,000 will be raised.

Beginning September 16, the price allowed by public elevators at Toledo for screenings will be 50c per 100 lbs.

First sales of the year of new corn were made at Chicago on the closing call September 12, 2,000 new No. 3 yellow, Illinois proportional, for December shipment, at 55½c per bu.

New Orleans' September exports included 752,401:10 bushels of wheat and 54,264:36 bushels of corn, a decrease compared with last year of 451,598:10 bushels of wheat and a gain of 19,978:52 bushels of corn.

The first car of new corn of the crop of 1907 was received at Kansas City on October 2. It was shipped by J. R. Sittler of Bliss, O. T.; graded No. 2 yellow, but was a little damp. It was sold at a price that netted the shipper 49 cents at home.

The first new corn of the season made its appearance in the street market at Quincy, Ill., on September 25. The cobs were large and held large kernels of the grain, which was fairly matured. The owner held it at 50 cents per bushel, but there was no rush to buy the grain of him.

The largest carload of oats that ever arrived in the Baltimore market was unloaded in the Northern Central elevator on September 14. The car contained 2,537 bushels of white oats and the grain was sold by Messrs. I. J. Lederer & Co. to Messrs. J. M. Frisch & Co. Under the rules of the Chamber of Commerce 1,500 bushels constitute a carload.

Hans P. Engh, manager of the Cargill Elevator at Portland, S. D., for the past several years, was killed on September 14, when he became caught in the machinery he was oiling. His clothing caught in the shafting and he was whirled around until suddenly he was thrown into the pit. It was found that one of his limbs was broken, while an arm was nearly torn from the body. A deep wound had been inflicted in his side and severe bruises and cuts had been sustained about the head and body. Death claimed him a few hours after the accident. Mr. Engh has resided at Portland for 20 years, where he is survived by a wife and three children.

OBITUARY

William W. Watkins, senior member of the firm of Watkins & Vincent, dealers in barley, malt and hops, died on October 4 at his home in Chicago. Mr. Watkins was a Mason and a member of the Knights Templars.

Walter Jones, a well-known grain dealer of Rockport, Ind., passed away on September 23, after a brief illness from Bright's disease and stomach trouble. His illness and demise came as a shock to his friends. Deceased leaves a wife and son to mourn him.

Henry Schwartz, who, until about five years ago, was engaged in the hay and grain business at St. Louis, Mo., died on September 15, from paresis. Mr. Schwartz has resided in St. Louis during fifty-seven years of the 73 years of his life. A family of eight children survive him.

Christopher K. Yates, a hay dealer of wide acquaintance in the East, died on September 16 at his home at Interlaken, N. Y. For more than 25 years he conducted a large business but was succeeded by Rappley & Medlock a few years since. Nevertheless he has continued his interest and regular visits to the state and national conventions.

E. A. Burr, aged 86 years, one of the oldest and most influential business men of Sacramento, Cal., died early in September at Alameda. During the many years he conducted a grain and hay business he accumulated a handsome fortune. Deceased was born in Hartford, Conn., where he was educated and taught the saddler and harness makers' trade. At the age of 22 he married and carried his bride off to Wisconsin, where he prosecuted his trade at Beloit. Since 1831 he has resided in California, where he had met with varied success in different enterprises until he entered the grain business, which was more prosperous. In 1884 he retired.

Leonard Naef, who was recognized as the "Father of the grain trade at New Orleans," died at his home at noon on September 30. His death followed within a week after that of his wife, the woman he had shared his success and happiness with for more than thirty-six years. Mr. Naef was one of the most prominent business men of New Orleans and of Louisiana. He had resided within the community for more than forty years, having left his native town of Altstuetten, in Switzerland, to seek his fortune on this side of the Atlantic. During the years intervening between 1869 and 1880 he rose to a high position in the employ of Engster & Co., one of the largest cotton factors in New Orleans. In the latter year, however, he was introduced to the grain business, when Mr. Engster and his associates acquired property of the New Orleans Elevator and Warehouse Co., formerly owned by Higby & Son. It comprised a stationary elevator and a floating elevator besides one other, which was partially built. Mr. Naef was given charge, and in spite of innumerable handicaps developed the business to such an extent that it became necessary to add two more floating elevators to the fleet. In the days preceding the Civil War there was done a considerable export grain business at New Orleans, which the exigencies of that struggle destroyed. For a number of years thereafter a false impression obtained in the grain trade that New Orleans and other Gulf ports were not safe exits for the exportation of grain, because of climatic conditions. It was this contention which Mr. Naef was forced to overcome. He not only achieved success, but so thoroughly has the absurd idea been dispelled that New Orleans has become one of the largest grain out-ports of this country. Some years later Mr. Engster transferred his interests to Mr. Naef and went to France, where he became a grain receiver. Mr. Naef became secretary and manager of the business, which, with the expiration of its charter in 1893, was reincorporated as the New Orleans Elevator Co. Mr. Naef was at one time exceedingly active in municipal affairs and served as councilman during two administrations. He was also a director in one of the largest banks of the city. There are left to mourn his death six children, ten grandchildren and a brother. The funeral was an auspicious one and was attended by large delegations from the various societies and clubs to which he belonged.

Dwarf Milo Maize has been introduced into Oklahoma and is doing well in spite of the bugs. It is an excellent feed grain.

RECEIPTS AND SHIPMENTS.

Following the receipts and shipments of grain, etc., at leading receiving and shipping points in the United States for the month of September, 1907:

BALTIMORE—Reported by H. A. Wroth, secretary of the Chamber of Commerce.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	1,318,142	437,210	1,569,991	1,179,525
Corn, bushels.....	204,669	603,918	524,091	335,985
Oats, bushels.....	489,512	597,984	1,024	81,429
Barley, bushels.....		1,719		
Malt, lbs.....				
Rye, bushels.....	91,139	71,429		
Timothy Seed, lbs.....	16,994	10,880	347	
Clover Seed, lbs.....	2,178	2,049		2,201
Hay, tons.....	4,593	4,390	1,868	1,819
Straw, tons.....				
Flour, bbls.....	302,819	326,655	170,491	243,943
Mill feed, tons.....				

BOSTON—Reported by Daniel D. Morss, secretary of the Chamber of Commerce.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Flour, bbls.....	203,599	169,545	98,158	77,184
Wheat, bushels.....	1,331,427	1,013,418	1,338,463	1,007,538
Corn, bushels.....	57,007	24,598	142,423	79,586
Oats, bushels.....	369,762	335,430		28,186
Rye, bushels.....	3,797	4,733		
Barley, bushels.....		85,098		54,365
Flax Seed, bushels.....	654			
Mill Feed, tons.....	3,009	1,423	25	370
Cornmeal, bbls.....	2,496	2,050	103	1,443
Oatmeal, bbls.....	8,981	8,973		10,370
Oatmeal, sacks.....	5,620	8,385	4,860	12,251
Hay, tons.....	13,430	11,420		127

BUFFALO—Reported by F. Howard Mason, secretary of the Chamber of Commerce.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	6,050,521	4,658,290		
Corn, bushels.....	3,991,000	4,133,692		
Oats, bushels.....	487,540	1,198,700		
Barley, bushels.....	810,000	1,485,107		
Timothy Seed, lbs.....	41,100	19,990		
Clover Seed, lbs.....				
Grass Seed, bushels.....				
Flax Seed, bushels.....	574,200	623,000		
Broom Corn, lbs.....				
Hay, tons.....	1,368,550	1,497,910		
Flour, bbls.....				

Canal did not open until May 1, 1907.

CHICAGO—Reported by Geo. F. Stone, secretary of the Board of Trade.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	5,103,501	1,967,700	4,192,283	1,444,351
Corn, bushels.....	14,619,335	13,029,866	8,133,253	8,512,266
Oats, bushels.....	11,450,257	8,223,649	6,694,919	4,957,817
Barley, bushels.....	1,903,728	1,457,284	344,291	477,433
Rye, bushels.....	224,649	181,301	68,169	47,758
Timothy Seed, lbs.....	4,774,016	8,804,785	2,780,005	2,565,357
Clover Seed, lbs.....	58,110	838,196	107,060	280,797
Other Grass Seed, lbs.....	875,610	3,619,545	8,445,012	7,250,100
Flax Seed, bushels.....	81,260	154,000	8,795	81,750
Broom Corn, lbs.....	706,795	872,320	709,022	364,251
Hay, tons.....	22,496	22,291	757	804
Flour, bbls.....	727,694	731,563	908,827	813,944

CINCINNATI—Reported by C. B. Murray, superintendent of the Chamber of Commerce.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	388,676	354,682	323,168	226,743
Corn, bushels.....	651,446	554,810	478,133	468,528
Oats, bushels.....	718,580	614,330	589,960	447,802
Barley, bushels.....	8,592	26,254	500	30
Malt, bushels.....	166,700	156,520	68,072	55,062
Rye, bushels.....	103,856	38,260	22,572	11,822
Timothy Seed, bags.....	12,680	11,430	2,800	5,868
Clover Seed, bags.....	1,779	702	505	960
Other Grass Seed, bags.....	13,161	13,269	3,204	10,744
Hay, tons.....	12,299	13,994	6,882	10,464
Flour, bbls.....	127,202	149,765	81,924	89,562

CLEVELAND—Reported by M. A. Havens, secretary of the Chamber of Commerce.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels, water.....	79,999	80,000		
Do rail.....	63,103	164,918	70,893	267,168
Corn, bushels, water.....				
Do rail.....	353,651	769,653	161,560	391,977
Oats, bushels, water.....				
Do rail.....	1,206,702	914,844	152,292	447,425
Barley, bushels, rail.....	5,215	4,000		
Rye, bushels.....				
Flax Seed, bushels, water.....				
Do rail.....				
Hay, tons, water.....	3,431	6,439		
Flour, tons, water.....				
Do rail.....	5,557	6,781	2,891	2,687

DULUTH—Reported by Chas. F. MacDonald, secretary of the Board of Trade.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	4,926,071	7,615,603	2,949,201	4,649,102
Corn, bushels.....	9,583	25,607		
Oats, bushels.....	238,581	612,085	79,239	424,084
Barley, bushels.....	2,479,491	1,847,019	708,232	1,390,656
Rye, bushels.....	39,324	80,280	37,241	25,000
Flax Seed, bushels.....	412,731	932,998	577,407	751,426
Flour, bbls.....	368,795	699,710	385,335	693,985

KANSAS CITY—Reported by E. D. Bigelow, secretary of the Board of Trade.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	5,235,000	4,892,000	4,126,000	3,174,000
Corn, bushels.....	1,067,000	550,000	876,000	592,000
Oats, bushels.....	1,659,000	436,500	1,863,500	423,000
Barley, bushels.....	23,000	33,000	21,000	3,000
Rye, bushels.....	12,000	17,000	7,000	9,000
Flax Seed, bushels.....	72,000	16,000	1,600	1,600
Hay, tons.....	840	1,110	4,950	6,390
Flour, bbls.....	18,500	9,580	5,170	3,880
Flour, bbls.....	12,200		146,400	129,400

MILWAUKEE—Reported by Wm. J. Langson, secretary of the Chamber of Commerce.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	1,124,000	765,000	542,951	57,440
Corn, bushels.....	638,000	271,700	461,795	176,350
Oats, bushels.....	1,499,450	1,064,900	760,003	544,137
Barley, bushels.....	2,307,310	2,381,200	541,858	838,218
Rye, bushels.....	161,100	100,800	52,015	33,500
Timothy Seed, lbs.....	78,230	190,410	54,246	379,752
Clover Seed, lbs.....	300,856	497,991	6,680	71,605
Flax Seed, bushels.....	5,300	51,880	1,060	
Hay, tons.....	1,369	2,006	12	24
Flour, bbls.....	253,250	282,800	300,899	313,145

GALVESTON—Reported by C. McD. Robinson, chief inspector of the Cotton Exchange and Board of Trade.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....			1,499,000	3,738,500
Corn, bushels.....			471,427	137,428
Oats, bushels.....				
Barley, bushels.....				

MINNEAPOLIS—Reported by John G. McHugh, secretary of the Chamber of Commerce.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	4,524,740	6,914,170	1,531,440	1,824,700
Corn, bushels.....	675,590	192,650	159,820	98,440
Oats, bushels.....	2,757,610	2,383,130	1,047,040	1,452,880
Barley, bushels.....	5,177,880	1,231,890	3,491,270	984,680
Rye, bushels.....	568,110	144,230	235,290	81,330
Flax Seed, bushels.....	594,650	730,610	370,430	784,230
Hay, tons.....	2,470	1,980	150	31,691
Flour, bbls.....	14,238	18,207	1,354,831	1,424,001

MONTREAL—Reported by George Hadrill, secretary of the Board of Trade.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	3,316,337	1, 96,462	3,532,820	1,518,997
Corn, bushels.....	136,678	348,129	180,975	219,084
Oats, bushels.....	187,102	758,240	532,522	776,353
Barley, bushels.....	93,870	103,042	189,629	136,541
Rye, bushels.....			5,934	109,091
Flax Seed, bushels.....	280,530	731,622	311,769	951,664
Flour, barrels.....	146,278	132,569	199,020	131,830

NEW ORLEANS—Reported by H. S. Herring, secretary of the Board of Trade.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	1,034,000	1,739,000	692,867	1,970,711
Corn, bushels.....	367,000	431,000	196,056	253,072
Oats, bushels.....	388,000	500,000	161,915	195,335
Barley, bushels.....				
Rough rice.....				
Clean rice pockets.....				
Hay, bales.....	42,870	94,820	5,627	1,630
*Flour, bbls.....	52,374	59,381	39,870	139,210

*Through consignments of flour to Europe not included in receipts.

NEW YORK—Reported by the secretary of the Produce Exchange.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bushels.....	3,748,721	2,590,000	2,966,146	1,404,759
Corn, bushels.....	299,925	1,268,150	420,548	1,142,013
Oats, bushels.....	2,882,600	2,806,500	100,754	532,347
Barley, bushels.....	176,400	315,400	14,989	85,971
Rye, bushels.....	58,500	20,475	102,082	8,705
Timothy Seed, bags.....			300	971
Clover Seed, bags.....	4,506	6,667	3,856	4,337
Other grass seed, bags.....				
Flax seed, bushels.....	390,400	215,000	171,782	227,182
Broom corn, pounds.....			Bales	Bales
Hay, tons.....	29,243	36,538	6,028	17,021
Flour, barrels.....	480,004	541,274	213,186	287,111

OMAHA—Reported by Edward J. McVann, secretary of the Omaha Grain Exchange.

Articles.	Receipts.		Shipments.	
	1907.	1906.	1907.	1906.
Wheat, bu.....	985,200	844,800	1,048,000	345,000
Corn, bu.....	1,733,600	1,245,200	2,007,000	1,447,000
Oats, bu.....	2,063,200	1,472,000	1,227,000	1,266,000
Barley, bu.....	28,000	19,000	4,000	2,000
Rye, bu.....	8,000	11,000	2,000	8,000
Flour, bbls.....				

PEORIA—Reported by John R. Lofgren, secretary of the Board of Trade.

Wheat, bushels.....	196,000	94,800	152,000	88,200
Corn, bushels.....	1,970,600	1,537,800	1,435,600	922,900
Oats, bushels.....	1,935,000	1,103,700	1,638,300	1,021,800
Barley, bushels.....	294,000	240,000	56,000	52,900
Rye, bushels.....	69,000	26,100	6,000	5,400
Mill Feed, tons.....	2,250	1,049	4,020	4,181
Spirits and Liquors, bbls.....	10,640	10,254	48,645	43,950
Syrups and Glucose, bbls.....	3,751	3,850	4,050	1,550
Seeds, lbs.....	60,000	210,000	60,000	120,000
Broom Corn, lbs.....	270,000	60,000	470,000	30,000
Flour, bbls.....	48,250	147,600	44,950	134,875

ELEVATOR AND GRAIN NEWS

ILLINOIS.

The new transfer elevator at Belvidere, Ill., is practically finished.

Chris Frick is building a commodious grain elevator at Friendsville, Ill.

Bowman's Elevator is rapidly approaching completion at Crossville, Ill.

A. Forrest of Rochelle, Ill., has purchased a 1-bushel grain scale from the Richardson Scale Co.

The old Parrish Elevator at Homer, Ill., has been demolished and a new one is being built by Mr. Rose.

Fred Friedline of Chicago, Ill., has purchased a Richardson Automatic Elevator Scale to weigh 1,000 bushels hourly.

The Farmers' Elevator Co. of Mackinaw, Ill., has been granted a site by the Big Four and will build an elevator in the near future.

Burglars plundered the grain office of Truby & Son at Joliet, Ill., the afternoon of October 3 and secured four certified checks for \$267.

The Corn Products Co. of Chicago, Ill., has purchased a Richardson Automatic Scale to weigh 100-110 pounds of gluten feed per discharge.

The Bethany Grain Co. of Bethany, Ill., has been incorporated with a capital stock of \$10,000. Among those interested are J. H. Crowder, R. S. McReynolds and J. B. Younger.

Articles of incorporation have been granted the Kirk Grain Co. of Bruce, Ill., which is capitalized at \$2,500. Those interested are C. W. Higdon, W. T. Sickafus and J. A. Doner.

Lately the Richardson Scale Co. received an order from the J. F. Imbs Milling Co. of Belleville, Ill., for an Automatic Elevator Scale with a capacity of 1,000 bushels per hour.

An order was recently placed with the Richardson Scale Co. for an automatic scale to weigh 1,000 bushels of grain per hour, to be installed in C. B. Munday & Co.'s plant at Litchfield, Ill.

J. C. Diffenderfer has repurchased from F. J. Wright his former interest in the Lincoln Grain Co. of Lincoln, Ill., and is again back in the trade. Elevators are operated at Lincoln, Lawndale and Broadwell.

Articles of incorporation have been filed by the Kilbourne Grain Co. of Kilbourne, Ill. It is capitalized at \$2,600 and will deal in grain, etc. The incorporators are H. D. Kiest, Morrison Sinclair and George Sielschatt, Sr.

C. A. Dyer of Champaign and N. M. Burt of Savoy, Ill., have purchased the elevator formerly owned by Jerome T. Davidson at Champaign. The purchasers, who are well-known grain men, were given possession on October 1.

C. A. Dickey of Assumption, Ill., has purchased the elevator and mill at Champaign, Ill., belonging to S. H. Spanagel of Nokomis. It is practically a new plant, located between the Wabash and the Big Four tracks. Mr. Dickey gets possession on January 1.

During the latter part of September the Seaverns Elevator Co. of Chicago, Ill., conveyed by quitclaim deed its property on Wabash avenue and Fifty-first street to William M. Derby, Jr. A nominal consideration of \$1 was mentioned. The tract of land measures 395x160 feet.

The National Elevator Co. of Indianapolis, Ind., has acquired from Harry Epps of Paris, Ill., five elevators in Edgar County, Ill., for the consideration of \$60,000. Two of the big grain holders are located in Metcalf, one in Cherry Point, one in Scott's Crossing and one in Gaines Crossing.

A report coming from the offices of the Corn Products Refining Co. states work on the construction of the refining plant to be built at Summit, Ill., will be resumed at once. As has been previously chronicled in these columns, the plant will cost from \$3,000,000 to \$5,000,000 and will include about thirty buildings, which will be able to handle 40,000 bushels of corn daily. It will be necessary to use 10,000 tons of steel in the building.

Robbers entered the office of Charles Seitz, a grain and hay dealer at 2294 Archer avenue, Chicago, Ill., and broke into the strong-box of his safe, wherein reposed \$1,000 in currency and \$200 in checks and negotiable papers, which were taken. The robbery occurred shortly after the opening hour on September 19, while the street in front of the place was crowded with pedestrians. Seitz re-

sides over the store and had left the office and also the safe door open. He was back in fifteen minutes, but the robbers had departed, leaving the floor covered with valueless papers.

A deal was consummated late in September whereby the Farmers' Grain & Stock Co. of Mackinaw, Ill., secured the Puterbaugh Elevator and other property for a consideration of \$5,225. The lease at the Vandalia grain station is also included in the deal. Judge Puterbaugh will retire from the grain trade.

It was decided on October 3 that the Sanitary District Trustees of Chicago should purchase, for \$850,000, the Iowa and City elevators. They are located on the south branch of the Chicago River, between Twelfth and Sixteenth streets, and will be razed so the property may be used to widen the channel some 200 feet. The Iowa Elevator was erected about twenty-seven years ago at a cost of \$325,000, while the City Elevator is forty-five years old and is equipped with machinery installed forty-four years ago. The McDonald Engineering Co. appraised the buildings at \$542,143.

IOWA.

A farmers' elevator company is being organized at Breda, Iowa.

Extensive repairs are being made on the Birdsall Elevator on the Illinois Central at Alden, Iowa.

Lackore Bros. of Madison, Iowa, have sold their grain business and other property to a Mr. Cashman.

A contract for a new elevator costing \$4,100 has been let by the Farmers' Elevator Co. at Havelock, Iowa.

A 20,000-bushel elevator will probably be erected by the Arthur Co-operative Elevator Co. at Arthur, Iowa.

C. E. Holcomb's new elevator at Dysart, Iowa, is practically completed and has a capacity of 37,000 bushels.

A Farmers' Elevator Co. has been organized at Stratford, Iowa, by E. G. Dunn, a promoter from Chicago.

The Huxley Farmers' Elevator Co. has been incorporated at Huxley, Iowa, with a capitalization of \$25,000.

The Farmers' Elevator Co. is building a modern and completely equipped elevator at Wallingford, Iowa.

The new Gilchrist Elevator at West Bend, Iowa, which is in charge of Charles Mantz, is now receiving grain.

Dan Merrill of Judd, Iowa, has purchased the Iowa Central Elevator at Eldora, Iowa, from the Donovan Elevator Co.

An improved Hall Signaling Distributor has been purchased lately for the Western Flour Mill Co.'s plant at Davenport, Iowa.

The Wells-Hord Elevator Co. is preparing to erect a new elevator on the site of the one recently burned. Work has already begun.

The Iowa Elevator Co. of Fort Dodge, Iowa, has placed an order with the Richardson Scale Co. for a 1,000-bushel Automatic Elevator Scale.

An order was recently received from DeWolf & Wells of Spencer, Iowa, by the Richardson Scale Co. for two Automatic Scales to be installed in their elevators.

Early in October the Farmers' Grain Co. at Akron, Iowa, purchased the Hunting Grain Co.'s old flat-house for \$500. It will be razed and a modern elevator costing \$5,000 constructed.

B. C. Ragan and S. A. Claybaugh, grain dealers at Le Mars, Iowa, have dissolved partnership by mutual consent. Mr. Ragan has taken over the business and will conduct it as in the past.

The city council of Sioux City, Iowa, has granted the various railroads centering there the privilege of constructing sidetracks to the new terminal elevator the Rosenbaum Company will operate.

The Arthur Co-operative Elevator Co. of Arthur, Iowa, has purchased the Conger, Ball & Co. Elevator property, which also includes the popcorn elevator. Arthur is the center of the popcorn belt.

A 20,000-bushel elevator costing \$4,000 is being constructed at Struble, Iowa, for the Farmers' Elevator Co. It will be cribbed from top to bottom. Neither the Atlas nor Thorpe elevator companies would sell.

Among the recent incorporations is the Farmers' Grain Co. of Yetter, Iowa, which is capitalized at \$25,000. Among those interested are C. A. Nordhaus, H. D. Yetter, Charles Hucka, Andrew Clark and J. B. Blair.

M. S. Dewey has purchased the half interest of J. E. Knudson in the firm of Knudson & Dewey, grain dealers at Milford, Iowa. Mr. Knudson gives possession on November 1. Mr. Knudson went to

Milford in the summer of 1901 and purchased the elevator and business of W. H. Myers & Son, and for a time was associated with his son, J. W. Knudson, now of Spirit Lake, and his son-in-law, W. A. Levitt of Omaha. Later he sold an interest to Mr. Dewey. Mr. Knudson has been in the grain business at Mason City, Jewel and Milford for the past twenty-three years.

WESTERN.

The Delaney Elevator of 50,000 bushels' capacity has just been completed at Mondak, Mont.

A Richardson Automatic Bagging Scale has been ordered by the Portland Iron Works of Portland, Ore.

It is reported the Imperial Elevator Co. has secured a site at Mondak, Mont., and will erect an elevator in the spring.

The new elevator at Parkman Station, Wyo., erected by the J. W. Denio Milling Co. of Sheridan and E. T. Polly, has been started up.

Nordmarken & Walnum have their new elevator at Culbertson, Mont., completed and are buying grain. The firm also has a new warehouse at Bainville, Mont.

There is a movement on foot toward building a new union elevator at Hutton, Wash., and thus abolish the sack system of handling grain. It will be operated by the Farmers' Union.

W. H. McCormick's grain and hay establishment at Billings, Mont., was robbed for the fourth time this summer on September 18, when the thieves secured nothing for their trouble.

Balfour, Guthrie & Co., grain exporters at Seattle-Wash., have leased the Great Northern Elevator at Smith Cove, Wash. The building has a capacity of 350,000 bushels, but has been idle for the past three years. It has already commenced receiving grain.

OHIO, INDIANA AND MICHIGAN.

Work on the elevators at Mount Cory, Ohio, is progressing satisfactorily.

Botzum Bros. of Akron, Ohio, have just completed their new grain elevator at Delphos, Ohio.

The Miller Grain Co. of Vassar, Ind., is a new incorporation. It has a capital stock of \$20,000.

R. L. Bond of Oaktown, Ind., has ordered from the Richardson Scale Co. an Automatic Elevator Scale.

An Improved Hall Signaling Grain Distributor will be installed in the Applegate Elevator at Applegate, Mich.

The Richmond Elevator Company will operate a Richardson Country Elevator Scale in their mill at Emmett, Mich.

Schalh Bros. of Anderson, Ind., have just finished a 16x42 brick power house and a 75-foot stack at their mill and elevator.

M. J. Brown's Elevator at Hebron, Ind., is installing a Richardson Automatic Scale, to weigh 1,000 bushels of grain per hour.

Bernard Bunke will erect a \$10,000 grain elevator at Cincinnati, Ohio. It will be three stories high and 40x145 feet in dimensions.

The Bad Axe Grain Co. of Bad Axe, Mich., will install an Improved Hall Signaling Grain Distributor in its elevators at Bad Axe and McGregor, Mich.

An elevator of reinforced concrete construction, 85 feet high with three additional stories of brick, is being built for the Gwinn Milling Co. at Columbus, Ohio. It will have 23 concrete bins.

An Automatic Elevator Scale for weighing 1,000 bushels hourly will be installed by Tranchant & Fennell in their mill at Osborne, Ohio, the Richardson Scale Company supplying the machine.

Edward I. Isbell, Edwin R. Riethmiller of Jackson, Mich., and Jesse T. Wilson of Pinconning, Mich., are the incorporators of the Pinconning Elevator Co. An investment of \$5,000 is represented.

Carl Ford of La Grange, Ind., expects to open the newly built elevator at Mongo, Ind., which he has leased from William C. Hawk, just as soon as the Valley line effects an interchange system with connecting roads.

J. T. Sims, A. E. Betts and D. L. Brookie, forming the J. T. Sims Grain Co., have purchased the Dillon & Sellars Elevator and mill at Frankfort, Ind., taking possession last month. Dillon & Sears secured two elevators in Indiana and one in Illinois, besides a cash consideration representing several thousand dollars.

The Niles Grain Co. of Niles, Mich., which is a branch of the Pears-East Grain Co. of Buchanan, Mich., recently leased the grain bins on the second floor of the Michigan Central freight house at Niles. The bins have a capacity of 10,000 bushels, but have not been used for some years. The new

company will install a hopper and gasoline engine, besides making numerous repairs and improvements.

The Melrose Milling Co. of Emmett, Ind., has ordered an Automatic Elevator Scale, weighing $4\frac{1}{2}$ bushels at a discharge, from the Richardson Scale Co. One will also be placed in the Evansville plant.

MISSOURI, KANSAS AND NEBRASKA.

A Mr. Samuelson is building an elevator at Alexandria, Neb.

Five Omaha grain companies plan large elevators for next year.

It is rumored a new elevator will be built at Dodge City, Kan.

P. S. Heacock is building an addition to his elevator at Shubert, Neb.

There is a proposition on foot to build an elevator at Centralia, Mo.

The new Deal Elevator has been completed at Hoskins, Neb., and is now receiving grain.

The Galloway Grain Co. has leased the Martin Elevator at Harper, Kan., and is operating it.

A large addition is being built on to the Farmers' Grain & Stock Co.'s elevator at Uehling, Neb.

C. R. Rixon of St. John, Kan., has acquired a half interest in A. Aitkens' elevator at Stafford, Kan.

Protzman & Embank will rebuild the elevator and flour mill at Paola, Kan., which burned down last month.

A complete 20,000-bushel elevator has just been placed in operation at Liberal, Kan., by the Liberal Elevator Co.

Christian Bros. are about to build an elevator near the Rock Port Roller Mills, which they own, at Rock Port, Mo.

A. F. Jenne is building a new grain elevator at Eureka, Kan., which he will operate in connection with a grain elevator.

W. C. Young and E. A. Anderson have sold their grain elevator and business at Jamestown, Kan., to J. L. Wilkins of Cedar Point.

Conditions seem favorable for a farmers' elevator at Pohacico, Neb. Two meetings of prospective stockholders have already been held.

Incorporation papers have been filed by the Farmers' Elevator & Mercantile Co. of Stafford, Kan., which is capitalized at \$10,000.

It is now stated the Nebraska Hay & Grain Co. may build its proposed elevator at Omaha, Neb., before fall is over, instead of waiting until spring.

The Hudson Grain & Supply Co. have started the construction of an elevator at Ellenwood, Kan. It is located on the Missouri Pacific right-of-way.

A charter has been granted the farmers grain company, which was organized a year or so ago at Kingman, Kan. It is known as the Farmers' Grain & Mercantile Co.

Williams & Wilson are building a three-story elevator at Ottawa, Kan., which will be an addition to their present plant. It is 20x60 feet in size and is of cribbed construction.

Articles of incorporation have just been filed by the Updike Grain Co. of Omaha, Neb. It is capitalized at \$50,000 by Nelson B. Updike, A. Edgecomb and F. A. Howard.

Articles of incorporation have been filed by the Waterloo Elevator Co. of Waterloo, Neb., which is capitalized at \$10,000. Those interested are James C. Robinson, Mary L. Robinson and Robert E. Neitzel.

During the month the Carvers-Vondorn Elevator Co. of Omaha, Neb., amended its charter so as to change its name to the Carvers Elevator Co. J. A. Carvers is president and Chester D. Sturdevant is secretary.

Gibbon & Reid are building a new elevator and mill at Burlington, Kan., on the site of the old mill and elevator. The elevator will have a capacity of 20,000 bushels and measures 34x40 feet. A 25-horsepower gasoline engine will be used for power.

Among the more prominent incorporations is the Wright-Leet Grain Co. of Lincoln, Neb. It has a capital stock of \$100,000 and is controlled by John B. Wright, E. Leet and F. E. Roth. The Wright-Leet Grain Co. will operate stations on the line of the Rock Island. The company has purchased from the Nebraska Elevator Co. of Lincoln the Rock Island Elevators held by that company, and, with these and additional ones purchased, starts with plants at Virginia, Rockford, Ellis, Clatonia, Narka, Rustin, Jennings, Selden and Murdock, Neb. It is expected to add other stations from time to time. Mr. Wright was with the Nebraska Elevator Co. for many years and still holds an interest in that company, which, after selling its Rock Island sta-

tions, has ten buying stations left, all on the line of the Union Pacific.

The Stromer Grain & Supply Co. of Muriel, Neb., has been organized with a capital stock of \$6,000. Among those interested are Stephen Sivigle, president, and John Heye, secretary.

The new Sarbach-Camden Elevator at Rossville, Kan., is now receiving grain. It is completely equipped with the latest machinery, including a 15-horsepower gas engine. A deep well has been dug and a large tank on a 60-foot tower will be put up for fire protection. A feed mill is also running.

It is learned that the Merriam & Holmquist Co. of Omaha, Neb., is planning to add to Elevator "B." next spring. Steels tanks with a capacity of from 500,000 to 750,000 bushels will be erected. The present building now holds 150,000 bushels, but has a handling capacity of 75 cars a day, so can easily be increased to 1,000,000 bushels' capacity. Elevator "A" holds 600,000 bushels.

THE DAKOTAS.

An elevator is being built at Tokio, N. D.

A farmers' elevator company is proposed at Harwood, N. D.

Another elevator—the seventh—is going up at Mohall, N. D.

A new grain elevator is under construction at Columbus, N. D.

A new Farmers' Elevator has just been completed at Alice, N. D.

There is some talk of another elevator being built at Wolsey, S. D.

I. F. Connole and N. Nelson are building an elevator at Lignite, N. D.

W. H. Walters has purchased the Crown Elevator at Marvin, S. D.

Von Seggern Bros. have opened their new elevator at Gregory, S. D.

A 30,000-bushel elevator is being built at Loraine, N. D., by McCabe Bros.

A new elevator is being built by the Security Elevator Co. at Tolstoy, S. D.

A farmers' elevator will be established by farmers around Bowbells, N. D.

The D. S. B. Johnson Land Co. has secured an elevator site at Litchville, N. D.

J. A. Martin is arranging to build an elevator at Lowden, Bowman County, N. D.

The Farmers' Elevator Co. of Kramer, N. D., is building an annex to its elevator.

There is talk of building a farmers' and merchants' elevator at Esmond, N. D.

Fred B. Peek has a new 25,000-bushel elevator on his farm just out of Edgely, N. D.

E. W. Ketcham of Madison, S. D., has acquired an elevator at Willow Lakes, S. D.

Connale Bros. & Co. have a 30,000-bushel elevator under construction at Loraine, N. D.

An addition 30 feet long is being built onto the Farmers' Elevator at Delmont, N. D.

The Valley Grain Co. has started the machinery in its new elevator at Warwick, N. D.

M. B. Lytle is building a new elevator at Drake, N. D., making the sixth for the town.

Workmen are engaged in the construction of the John D. Gruber Elevator at Tolna, N. D.

G. K. Melby and John Bock of Kenmare have entered the grain business at Niobe, N. D.

The Farmers' Elevator Co. of Elkton, S. D., is now operating its newly completed elevator.

The McGlenn Elevator and the Ambrose Elevator have both been opened at Crosby, N. D.

A new elevator will be erected by the J. H. Scroggs Elevator Co. at Miranda, S. D., this fall.

The Amenia Elevator Co. of Amenia, N. D., has increased its capital stock from \$100,000 to \$200,000.

The Northwestern and Chaffee Milling Co. are each building elevators at Pickert's Siding, N. D.

Otto A. Kaiser lately completed a new grain elevator at Ferney, S. D., but has already disposed of it.

It is reported the Dickinson (N. D.) Mercantile Co. has leased a site for an elevator at Mandan, N. D.

It is proposed by the Commercial Club at Minot, N. D., to lease an elevator and place a buyer in charge.

The Farmers' Elevator Co. of Garden City, S. D., is building a new elevator with a capacity of 20,000 bushels.

E. W. Ketcham of Madison, S. D., has acquired H. J. Jacobhagen & Co.'s elevator at Willow Lake, S. D. Mr. Ketcham was formerly of the firm of

Stoddard & Ketcham, which owned a line of elevators.

Caspey & Simons of Herrick, S. D., are installing an Improved Hall Signaling Distributor in their elevator.

The Heaton Lumber Co.'s new elevator at Fessenden, N. D., has been opened, with B. L. Gulden in charge.

The Imperial Elevator Co. is building an elevator at Loraine, N. D., which will have a capacity of 30,000 bushels.

Work has practically been completed on the new elevator the Ostroot Co. of Lake Preston is building at Harrold, S. D.

Fred Ryan recently purchased C. Bennett's interest in the elevator which the two have conducted at Artesian, S. D.

Nels Enge of Minneapolis, Minn., is remodeling the roller mill at Clifford, N. D., which he acquired, into a grain elevator.

The elevator belonging to the St. Anthony & Dakota Co., which recently burned at McCanna, N. D., will be rebuilt.

William Krolter will equip his grain elevators at Herrick and Gregory, S. D., with Improved Hall Signaling Distributors.

The Cavalier Milling Co. has purchased the National Elevator at Cavalier, N. D., and will operate it as a shipping house.

The Farmers' Elevator Co. at Norma has work well started on its 25,000-bushel elevator. It will cost \$4,400 when done.

William Marshall has acquired the controlling interest in the Farmers' Elevator at Castlewood, S. D., which he operates.

Saule & Shepard are just completing their 50,000-bushel elevator at Maxbass, N. D., which replaces the one burned on July 4.

A new elevator is being constructed for the National Elevator Co. at Brocket, N. D., which replaces the one that burned.

The Atlantic Elevator at Minto, N. D., has opened up its doors, with J. J. Sweeney, formerly with the Eli Salards Co., in charge.

About one hundred farmers have organized an elevator company at Elk Point, S. D., and it is quite possible will build an elevator.

Doering & Hirsch have transferred their elevator at Gardner, N. D., to the Gribbin Grain Co. J. A. Fox has been retained as agent.

After having been closed for two years, the Peavey Elevator at Grandin, N. D., has been reopened, with Mr. Hadlock in charge.

It is reported a farmers' elevator company has purchased the Cargill & Hyde Elevator at Trent, S. D. S. M. Sorenson is in charge.

A. A. Truax of Mitchell, S. D., has commenced the rebuilding of his elevator at Burbank, S. D., which was burned some time since.

The Lockwood elevator at Rugby, N. D., has been sold to an organization of 200 farmers of Pierce County. It is now being overhauled.

A crew of workmen have taken down the Imperial Elevator at McCumber, N. D., and shipped it to Hong, N. D., where it is being rebuilt.

The Farmers' Elevator Co. of Crystal, N. D., has completed its elevator at Voltaire, N. D., which will be in charge of A. M. Thompson of Crystal.

A Farmers' Elevator Co. has been formed at Washburn and an elevator secured. J. E. O'Hara of Boyd, Minn., has been engaged as manager.

Edward Kraling and W. T. Greely of Donnybrook, N. D., will enter the grain business at Coulee and other points on the Great Northern.

Lester McGlenn, general manager of the McGlenn line of elevators, is at Ambrose, N. D., superintending the construction of an elevator for his company.

Recently the Duluth Elevator Co. sold its elevator at Bathgate, N. D., to the Bathgate Farmers' Elevator Co. Mr. Mahony will be retained as manager.

Fergen & Co. have lately remodeled and improved their elevator at Parkston, S. D. A gasoline engine has been installed and a brick office built.

A Farmers' Elevator Co. has been organized at Nunda, S. D., with a capitalization of \$12,000. Ole Overski was chosen president, Simon Saur secretary.

Construction work on the new 40,000-bushel elevator the Lyon Elevator Co. is building at Edgely, N. D., is well under way. It is on the Northern Pacific.

A new elevator has been completed for the Burns Elevator & Lumber Co. at Glen Ullin, N. D. The company is incorporated for \$25,000 and has as its officers J. C. Burns, president; W. T. Moore, secre-

tary and treasurer, and Michael Meyer, general manager. The elevator has a capacity of 40,000 bushels.

W. Z. Sharp of Artesian has lately acquired from the Moody County Grain Co. of Egan, S. D., the elevator at Flandreau, S. D., and has placed George Hodge in charge.

W. H. McCutchin of Minot has opened up an elevator at Ross, N. D. He was for some time manager of the Surrey Farmers' Elevator as well as the one at Minot.

The Farmers' Store & Elevator Co. has been incorporated at Balfour, N. D., with a capitalization of \$49,800. P. H. Morarity, J. W. Morarity and others are interested.

The Farmers' Elevator Co. has been incorporated at Beach, N. D., with a capital stock of \$10,000. The incorporators are J. D. Halstead, George Gilbertson, Karl Olson and others.

The Farmers' Exchange Elevator has opened for the season at Long Prairie, Minn. Frank J. Stepan is buyer. The company's elevator at Browerville is also receiving grain.

Heuter & Heuple have acquired W. H. McCluskey & Sons' Elevator at McCluskey, N. D., and are represented by E. J. Kludt, formerly with the Washington Grain & Feed Co.

Albert Durisch has sold his elevator and grain business at Plankinton, S. D., to Frank De Celle and the latter's son, Paul De Celle of Sioux City, Iowa. The new owners are in possession.

A Farmers' Elevator Co. has recently been organized at Dunseith, N. D., with a capitalization of \$10,000. Among those interested are Homer E. Smith, Angus Gillespie, Louis La France and others.

The Heaton Lumber Co.'s new elevator at Fessenden, N. D., is open. It has a capacity of 40,000 bushels. The building is of cribbed construction 24x35x50 feet in size, and stands 70 feet high.

J. F. Sophy, Sr., recently transferred his elevator at Garretson, S. D., to Fresvik, Arneson & Co. for the consideration of \$3,000. Nels Fresvik, A. Larson and J. J. Arneson comprise the new company.

F. J. Reid and M. D. Burge have lately acquired the property of the Western Elevator Co. at Esteline, S. D., which has been managed by William Marshall. The elevator is said to be one of the best in the country.

One of the latest incorporations is the Farmers' Elevator Co. of Voss, N. D., which is capitalized at \$20,000. Among those interested are Albert Heron of Voss, Joseph F. Lovin of Grafton, N. D., Adolph Hlubek of Voss and others.

SOUTHERN AND SOUTHWESTERN.

E. R. Williams of Climax, Kan., is adding to his elevator.

Protzman & Embank are rebuilding the elevator at Paola, Kan.

Byrnes & Feignney have their new elevator well under way at Emmett, Kan.

T. J. Hook has completed his 25,000-bushel grain elevator at Hardinsburg, Ky.

S. D. Scott & Co. of Norfolk, Va., have ordered an Automatic Elevator Scale from the Richardson Scale Co.

S. D. Scott & Co. will have a Richardson Automatic Scale installed to handle oats in their plant at Norfolk, Va.

The Western Milling and Elevator Co. has commenced the erection of an elevator and warehouse at Rigby, Utah.

Recently two Richardson Automatic Scales were ordered by the Amarillo Mill & Elevator Co. of Amarillo, Texas.

E. H. Reed has razed his old elevator at Nebraska City, Neb., and will build another with a capacity of 10,000 bushels.

Gwinn Bros. & Co. have ordered a Richardson Automatic Portable Bagging Scale for their plant at Huntington, Ky.

John C. Danes of Newkirk has opened a grain office at Winfield, Kan., under the firm name of the Christy Grain Co.

Bolin, Hall & Co., of which O. C. Armstrong is the manager, are constructing a 20,000-bushel elevator at Hooker, Okla.

Henry Schaffert, who recently acquired the elevator at Rock Creek, Kan., is remodeling it into a 10,000-bushel elevator.

The Midland Mill & Elevator Co. of Muskogee, I. T., has opened its new plant, which includes a 700,000-bushel grain elevator.

Articles of incorporation have been received by the Morristown Vehicle & Grain Co. of Morristown, Hamblen County, Tenn. The company is capitalized

at \$25,000, with S. C. Harrell, P. M. Bewley, T. S. Myers and J. W. Richardson as stockholders.

A Richardson Automatic Scale has been shipped to the Star Mill & Elevator Co. at Amarillo, Texas.

Another grain warehouse is being erected by the McLemore Grain Co. of Nashville, Tenn., in addition to its present structure.

A Richardson Automatic 1,000-bushel Elevator Scale has been ordered by the Colorado Milling Co. for its plant at Kersey, Colo.

A Richardson Automatic Scale for bagging grain in 2½-bushel lots has recently been ordered by R. C. Stone of Springfield, Mo.

There is talk among local capitalists at Cleburne, Texas, which points toward the erection of a grain elevator of modern construction.

The work of repairing the Holmquist Grain Co.'s elevator at Wausa, Neb., has been completed. A large addition was built for oats.

The Pelkey Construction Co. of Wichita, Kan., lately purchased four elevator scales from the Richardson Scale Co. of New York.

J. J. Keel and W. L. Keel of Gainesville, Texas, contemplates establishing a public terminal and transfer elevator at Fort Worth, Texas.

The Richardson Scale Co. has sold a sacking scale, to weigh five bushels at a discharge, to the Mutual Grain & Supply Co. of Savannah, Ga.

A Richardson Automatic Elevator Scale of 1,000 bushels' hourly capacity has been ordered by the Pelkey Construction Co. for L. H. Powell of Eldorado, Kan.

It is proposed to have the railroads entering Richmond, Va., build a modern grain elevator in that city, as there is none in the city which is serviceable.

William Bondies & Co. will have the Richardson Scale Co. install an Automatic Elevator Scale to weigh 1,000 bushels of grain an hour in their plant at Durant, I. T.

The newly incorporated Farmers' Grain, Fuel & Livestock Co. of Pond Creek, Okla., has purchased the McGivney Elevator at that place, for the consideration of \$3,750.

The secretary of the Chamber of Commerce at Fort Worth, Texas, is interesting himself in a stock company which proposes the erection of a 1,000,000-bushel elevator.

The West-Stegall Grain & Commission Co. of Montgomery, Ala., recently installed an Automatic Scale from the Richardson Scale Co. for use in weighing grain and meal into bags.

The H. O. Robinson Grain Co. of Colorado Springs, Colo., has placed an order for an Automatic Sacking Scale, to weigh three bushels at a charge, with the Richardson Scale Co.

Hoskinson & Collins will erect an elevator at Burrton, Kan., on the site of C. A. Dundon's plant. Mr. Dundon will be forced to move his elevator, as the lease of his site has expired.

Articles of incorporation have been filed by the Western Grain & Elevator Co. of St. Louis, Mo. It is capitalized at \$20,000, and the stock is held by C. E. Miller, F. A. Miller and G. A. Buder.

An order from the Hamiter-Busbey Mill & Elevator Co. has been placed with the Richardson Scale Co. of New York for a further scale to weigh corn meal at the plant in Shreveport, La.

Incorporation papers have been filed by the Yukon Grain Co. of Yukon, Okla., which is capitalized at \$5,000. Among those interested are J. F. and F. L. Groutil, Anton Dobry and others.

Incorporation papers have been granted the Osage Grain Co. of Fairfax, Okla., which is capitalized at \$20,000. The stock is held by Thomas F. McGraw, Jesse H. McNabb and James M. Moody.

The Terminal Grain Co. of Fort Worth, Tarrant County, Texas, has been incorporated with a capital stock of \$30,000. Those interested are J. V. Neuhaus, G. E. Cranz and W. W. Manning of Houston.

An order for a Richardson Automatic Elevator Scale with a capacity of 1,000 bushels per hour has recently been placed by the Osage Grain & Elevator Co. of Fairfax, Okla., through the Barnard Machinery Co.

A building 116x176 feet in size, which will have a capacity of 160,000 bushels, is being built by the Fowler Grain Co. on the Cotton Belt railroad at Texarkana, Ark. It will be able to load a car in forty minutes.

Bailey & Sons, wholesale and retail grain and seed merchants of Salt Lake City, Utah, have filed incorporation papers, their business having shown such a decided tendency to increase. A capitalization of \$100,000 is given. P. E. Banker, for three years Bradstreet's superintendent at that place, has

resigned to become vice-president of the Bailey & Sons Co. S. N. Bailey is secretary and Burt Bailey is manager. The business has been established since 1865.

The West End Elevator Co. has been chartered at Nashville, Tenn., with a capital stock of \$25,000. J. C. McLemore has promoted the enterprise, which is planned to increase the business facilities of the McLemore Grain Co., which will operate the elevator. About \$10,000 will be spent in improvements. When the additions are completed the plant will have a capacity of twenty-five cars of sacked grain a day, ten cars of bulk grain and ten of hay. The elevator is located in West Nashville.

Walter Webb and H. H. Maury, constituting the firm of Webb & Maury, closed a deal on September 24 whereby they gained possession of the Merchants' Grain Elevator and Warehouse at Memphis, Tenn. The price paid W. B. Mallory was \$60,000. It is planned to connect this plant with the new buildings which are now being built to replace the plant burned August 6. When completed the firm will have a storage capacity of 300,000 bushels and a handling capacity of about 75 or 100 carloads per day. The plant has a railroad frontage on both the Illinois Central and the Frisco tracks of 600 feet, which, including the branches of these systems, gives them railroad facilities on four of the railroads entering Memphis. Fred Friedline, Chicago, is remodeling the old Merchants' Elevator. The house when finished will have 100,000 bushels' storage capacity and handling capacity of 30 cars daily in and out. He is also building a concrete warehouse, 9x120 feet, and two stories in height.

CANADIAN.

The Pacific Grain Co., Ltd., has started to do business at Calgary, Alta.

A 30,000-bushel elevator is being erected by the Northern Elevator Co. at Tyvan, Man.

Another elevator—the fifth—is being built at Conger, Sask., by the Conger Lumber Co.

It is now announced that the Northern Elevator Co. will not build at Pipestone, Sask., this year.

A 30,000-bushel grain elevator has been erected by the Northern Elevator Co. at Blenfait, Man.

W. N. Rennie and T. M. Scott have dissolved the grain firm of Rennie & Scott at Winnipeg, Man.

Grain is being received in the new elevator at Kennedy, Sask., erected by the Saskatchewan Elevator Co.

An elevator is going up at Swift Current, Sask., and will soon be ready for grain. Another one is contemplated at this place.

George W. Peavey, former president of F. W. Peavey & Co., the Minneapolis elevator company which has interests in Canada, has withdrawn from the firm.

P. McIntosh & Son of Toronto, Ont., will install an Automatic Elevator Scale to weigh one bushel of grain per discharge. It will be supplied by the Richardson Scale Co.

The Colonial Grain Co. has been incorporated at Winnipeg, Man., with a capital stock of \$150,000. The directors are J. C. Gage, K. B. Stoddard, T. H. Hatchard, W. C. Leistikow and A. Reid.

The Alberta Pacific Elevator Co. has been making extensive improvements on its elevator at Daysland, Alta. The engine room and office have been rebuilt and the warehouse has been remodeled.

G. W. Lamson has been appointed grain agent at Winnipeg, Man., for the C. P. R., for whom he has been acting as traveling auditor. His office will be in the city freight department until the grain exchange is completed.

It is reported the British-American (Peavey) Elevator Co., which operates a big line of elevators in Canada, has been reorganized as the Port Arthur Elevator Co. The alteration is one of name only and does not affect the officers.

C. A. Garton, a member of an English firm of scientific seed growers, has been at Regina, Sask., where he announced his firm intended to establish a branch on a large scale in Canada. He is now touring the western portion of the dominion in search of a location.

John Love and C. R. Tryon of Winnipeg, Man., have disposed of all their interests in the Winnipeg Elevator Co. to E. C. Warner, F. S. Piper, F. E. Kenaston and Walter Douglas of Minneapolis and W. R. McWilliams of Winnipeg. All of the new owners are interested in the Canadian Elevator Co. Mr. Williams, manager of the latter, will also have charge of the new property. The paid-up capital of the Winnipeg Elevator Co. is \$375,000, while that of the Canadian Elevator Co. is \$500,000. The

new possession includes sixty elevators. The company from which Mr. John Love is retiring, and of which he has been president, was formed in 1897, and was then known as Bready, Love & Tryon, and eighteen months later was changed to The Winnipeg Elevator Co.

A rumor says the McCabe Elevator Co. of Minneapolis, Minn., has secured a site from the Great Northern Railroad at Brandon, Man., for a 35,000 or 50,000 bushel elevator. The company is building a line of elevators on both the Brandon, Saskatchewan & Hudson Bay and the Midland, the Manitoba lines of the Great Northern.

EASTERN.

W. H. Cunningham of Malden, Mass., has let the contract for a new \$7,000 grain elevator.

The Acme Milling Co. of Olean, N. Y., has ordered an Automatic Elevator Scale from the Richardson Scale Co.

D. F. Howard, who resides on the Gilbertville road, near Ware, Mass., is having a new building erected for use in his grain business.

Wilkinson, Gaddis & Co. of Newark, N. J., have ordered the Richardson Scale Co. to furnish them four Automatic Scales to bag their grain.

Root, Neal & Co. of Buffalo, N. Y., have ordered from the Richardson Scale Co. an Automatic Scale for weighing 1,000 bushels of grain per hour.

Articles of incorporation have been granted the West Brooklyn Farmers' Elevator Co. of West Brooklyn, N. Y. Those interested include J. W. Thies, John Halmaier and Laurent Gehant.

F. A. Sherwin has practically completed his new grain store at Groton, Mass., which occupies a building 65x32 feet. It is equipped with a gasoline engine and modern machinery. The building stands on a cement foundation and is sided with cement.

Incorporation papers have been filed by the Cape Vincent Hay & Grain Co. of Cape Vincent, N. Y., which proposes to deal in farm products. The capital stock is \$15,000. The incorporators are Adam A. Gray, Cape Vincent, N. Y.; Edward N. Jackson, New York, Edwin P. Rector and Earl G. Cooley, Point Peninsula, N. Y.

MINNESOTA AND WISCONSIN.

Cargill & Co. are building an elevator at Hixton, Wis.

Shelby Bros. are building a grain elevator at Clarissa, Minn.

G. O. Helvig has leased the Carlson Elevator at Dawson, Minn.

A farmers' elevator company may be organized at Adrian, Minn.

Grain is being received at the Farmers' Elevator in Ivanhoe, Minn.

The R. E. Jones Co. is building a new grain elevator at Pepin, Wis.

E. A. Brown of Luverne, Minn., is building a grain elevator at Cactus, Minn.

Charles Franzin has opened the Anchor Grain Elevator at Bingham Lake, Minn.

The R. E. Jones Co. has its elevator at Zambro Falls, Minn., ready for its opening.

G. A. Buck of Eau Claire, Wis., contemplates erecting an elevator at Stanley, Wis.

P. McCargar has leased the Ball Elevator on the N. P. tracks at Fergus Falls, Minn.

C. M. Larson of Herford, Minn., has opened the McDonald Elevator at Bird Island, Minn.

An elevator is being built by the St. Johns Grain Co. at Gray Siding, near Lake Crystal, Minn.

E. C. Brandes has completed his new 1,800-bushel elevator for the storage of rye at Isanti, Minn.

A new elevator may be built by the Osborne-McMillan Elevator Co. at Sedan, Minn., next spring.

Grain is being received at the Gary Farmers' Elevator, Gary, Minn., where Halvor Degerness is in charge.

The Peavey Elevator at Kasota, Minn., has been sold to the Van Dusen Elevator Co., which is operating it.

The Browerville (Minn.) Farmers' Exchange has reopened its elevator, with Frank Lucas of Iona in charge.

After two years of idleness the E. A. Brown Elevator at Kenyon, Minn., has been opened by T. Homme.

Mayor L. T. Tollefson is installing a dump scale and other modern improvements in his elevator at Lanesboro, Minn.

W. D. Gregory and W. J. Jennison of Minneapolis, representing the Powers Elevator Co., have lately purchased the Hyde and Cargill elevators at Mapleton, Minn., from J. H. Dobie & Co., re-

cent owners. J. H. Dobie has been retained in the employ of the new firm.

Sage Bros. have lately opened an elevator at Kasota, Minn., which place they will hereafter make their headquarters.

E. R. Phipps has purchased the Woodworth Elevator at Callaway, Minn., and is operating it as the Farmers' Elevator.

The St. Anthony & Dakota Elevator Co. has opened its elevator at Erskine, Minn., with Mr. Dahlberg in charge.

Harvey Wilkinson has entered the grain business at Albert Lea, Minn., and has reopened the Wilkinson Elevator.

The new building belonging to the Hampton Farmers' Co-operative Elevator Co. has been opened at Hampton, Minn.

Will Pierce of Dexter has leased the Larrabee Elevator at Le Roy, Minn., and placed Gilbert Miller in charge as manager.

F. Fahlstrand and A. W. Wells have leased the Duluth Elevator and have established an independent elevator at Herman, Minn.

The Minneapolis & Northern Elevator Co. has started up its elevator at Dalton, Minn. The Farmers' Elevator is also running.

The Rex Elevator Co., which has secured the old Sheffield Elevator at Randolph, Minn., is making extensive improvements on the plant.

The Plymouth Elevator at Winnebago City, Minn., has changed hands and Aaron Dones, the former manager, has been transferred to Slayton, Minn.

Extensive repairs are being made on the building of the Woodworth Elevator Co. at Hallock, Minn. A new Fairbanks-Morse engine has been installed.

The M. C. Wright Grain Co. of Duluth, Minn., has changed its name to the Iron Range Grain Co. George A. Camerson is secretary of the corporation.

Johnson, Blum & Co. have leased the Farmers' Elevator at Eagle Bend, Minn. The National Elevator at that place has been leased to the Interstate Elevator Co.

The Atlantic Elevator Co. is rebuilding its plant, lately burned at Sedan, Minn. The new plant will contain ten grain bins, all hopper-bottom, and will be thoroughly modern.

The Columbia Elevator Co. has purchased the E. W. Sumner Elevator at Hutchinson, Minn., and placed A. H. Nieno in charge. It is on the Milwaukee right-of-way.

A recent incorporation is the Algoma Grain Co. at Algoma, Wis., which has a capital stock of \$20,000. Those interested are Martin Brett, M. Melchior and Walter Knospe.

President S. G. Nelson of the grain department of the Society of Equity has been investigating the conditions surrounding the building of a proposed elevator at Superior, Wis.

The Hunting Elevator Co., which has elevators at Freeborn, Matawan and Pemberton, is building at Waldorf and St. Clair, Minn. These latter will be ready for this season's crop.

About two hundred farmers' elevator companies of Minnesota will be represented at a meeting called for December 10 at Minneapolis. It is proposed to perfect a general organization.

The Columbia Elevator Co. of Minneapolis, Minn., has succeeded E. N. Sumner in the ownership of the old McDonald Elevator at Cannon Falls, Minn. August Moses has been placed in charge.

A. C. Ridenour is managing the Farmers' Elevator Co.'s property which has just been opened at Steen, Minn. The property was purchased from its former owners after extended negotiating.

Articles of incorporation have been granted the C. G. Ireys Elevator Co. at Minneapolis, Minn., which is capitalized at \$200,000. Those interested are Charles G. Ireys, Karl L. Brackell and Nellie W. Ireys.

The new 50,000-bushel elevator built by the Osceola Mill & Elevator Co. at Osceola, Wis., is practically completed. It is 105 feet in height and is the largest plant along the Soo from St. Paul to Sault Ste. Marie.

Business men of Algoma, Wis., have organized a \$20,000 company to conduct a grain and hay business. Ernst Bruemmer is president; W. Knosfe, vice-president; R. J. Ihlefeld, secretary; Frank Slaby, treasurer.

Articles of incorporation have been filed by the Lum-Hanks Elevator Co., with offices at Minneapolis, Minn. It is capitalized at \$50,000. The names of the persons forming this corporation are as follows: George H. Lum, residing at Little Falls, Minn.; William P. Michie, residing at Little Falls, Minn., and Isaac B. Hanks, residing at Minneapolis, Minn.

COMMISSION

The Reaves Grain Company has been organized at Little Rock, Ark. The members of the new firm are A. S. Reaves, E. T. Reaves and W. L. Reaves.

Harper & Ward, grain merchants of Des Moines, Iowa, have just removed their offices from the Good Block into larger quarters in the Fleming Building.

W. A. Freemire has withdrawn from the grain firm of Freemire, Remund & Co. of Minneapolis, Minn., and the business is continued by L. C. Remund and J. B. Gilfillan.

Amended articles of incorporation have been filed by the Van Dusen-Harrington Company of Minneapolis, Minn., increasing its capital stock from \$1,000,000 to \$1,500,000.

Stephen A. McWhorter, vice-president of the Omaha Grain Exchange and one of the older grain merchants of that city, has removed to Chicago, where he has engaged in the grain brokerage business.

The Colonial Grain Co. of Winnipeg, Man., has been incorporated with a capital stock of \$150,000 to carry on a general grain business. The directors are J. C. Gage, R. B. Stoddart, T. H. Hatchard, W. C. Leistikow and A. Reid.

The Nye-Schneider-Fowler Co. of Omaha, Neb., has included the export business in their regular grain business, having recently exported several boatloads of Nebraska wheat through their export department in New York City.

McGuire & Atwood, an old established firm of Minneapolis, Minn., and Duluth, has incorporated with a capital stock of \$300,000. The officers of the firm are H. G. Atwood, president; H. W. Stone, vice-president; Arthur McGuire, secretary and treasurer.

The Teichmann Commission Co. of St. Louis, Mo., observed its fiftieth anniversary informally recently. Except for change of name from Teichmann & Co. the firm is the same as that organized by its present president, Charles H. Teichmann, a half century ago. Mr. Teichmann is now 75 years of age, but is in good health and still the active business head of the firm. He was twice elected vice-president of the Merchants' Exchange.

It is reported that George W. Peavey has severed his connection with the firm of F. H. Peavey & Co. of Minneapolis, Minn., and will take an extensive trip abroad. The firm was organized last January to take over the grain and elevator business formerly operated as a copartnership and bearing the same name as the present company. Mr. Peavey was president of the company, but had never taken an active interest in its management.

The grain firms of Piper, Johnson & Co. and Whallon, Case & Co., of Minneapolis, Minn., were merged on October 1 under the firm name of Whallon, Johnson & Case. The members of the firm include some of the best known and strongest grain men in the Northwest. There are J. F. Whallon, Denman F. Johnson, George P. and Charles Case and George C. Bagley, president of the Bagley Elevator Co. and the Atlantic Elevator Co., as well as Walter Douglas, George F. Piper and E. C. Warner, president of the Midland Linseed Oil Company. The firm has memberships in the Chicago Board of Trade and Stock Exchange, Minneapolis Chamber of Commerce, New York Stock Exchange, as well as other exchanges. The main office is in the Chamber of Commerce Building at Minneapolis.

Very appropriate to the Corn Exposition at Chicago is the souvenir ear of corn which has been mailed the trade by Gardiner B. Van Ness, grain merchant in the Postal Telegraph Building, Chicago. It is to all appearance a miniature ear of corn, husk, tassel and wrapper, except the place for the ear itself, which is occupied by a first-class perfect. The box in which it is mailed has printed thereon, "Who says the corn crop is a failure?" A little pamphlet, entitled "Twenty-Two Years in the Grain Trade" accompanies the gift and says:

"With the close of business September 30, 1907, I finished up my twenty-second year in the grain trade. As I started in quite young, I have the advantage of this long experience while I am still at an age—36—when my faculties are most active—it enables me to offer advantages to you which few, if any, can offer, namely, the advantage of experience and comparative youth. This is no mere theoretical advantage, it is an actual, real, valuable advantage, and it will be yours if you favor me with your business and allow me to act as your Chicago representative."

THE EXCHANGES

The forty-ninth annual report of the Milwaukee Chamber of Commerce has been received. It gives statistics for the year ending December 31, 1906, and the fiscal year of the Chamber of Commerce ending April 1, 1907.

Additional memberships of the Chicago Board of Trade will be retired as the result of a vote to levy an extra assessment of \$25 a year for five years for this purpose. The proposition was adopted by a vote of 346 to 158.

In future annual elections of the Chicago Board of Trade whenever a ticket for directors does not contain as many names as there are directors to be voted for the ballot is not to be counted. The same also applies to committees of arbitration and appeals.

The East Side Elevator at Toledo is now charging 1/2 cent per bushel for elevation, but is giving 15 days' free storage instead of 10, as was formerly the case. Four days of this is free to the buyer. The charge for storage has been raised 1/2 cent to 3/4 cent.

Hereafter all "collect" messages received by members of the Duluth Board of Trade will be charged back to customers. An amendment to the rules making this obligatory was recently adopted and failure to do so will be regarded as a violation of the commission rule.

The members of the Chicago Board of Trade are considering a proposed change in the methods of clearing trades. It is planned to adopt the system in vogue at Minneapolis, with a few important changes to bring it up to date. The new system of clearing trades will, if adopted, keep trades up to the market at all times and prevent the tying up of large amounts of money in margins on trades that have been closed for customers, but which have to be carried along on the books of commission houses until they can be settled. The highest courts have upheld the legality of the clearing house system as now in force in Minneapolis.

An agreement has been reached by St. Louis grain commission houses and the railroads entering that city which provides for the payment of freight on grain shipments on the actual weight of the grain unloaded from the cars, the weights to be certified by the Merchants' Exchange Weighing Bureau or the weighmasters of the Board of Railroad and Warehouse Commissioners of Illinois and Missouri. The grain companies agree to give bond for the payment of freight charges. It is hoped that the new arrangement will obviate all claims for overcharges by the commission men or claims for excessive weights by the railroad companies.

At the fifteenth annual meeting of the Chicago Board of Trade Mutual Benefit Association, held recently, the executive committee composed of J. W. Fernald, George W. Stone, C. L. Dougherty, Frank Marshall and R. S. Lyon were re-elected. The association has paid \$468,377 in benefits since its organization, an average of \$2,754. There were eleven assessments the past year, and the average cost to a member of 40 years of age was \$40 for \$2,500 insurance. A resolution was passed in favor of incorporating a mortuary benefit to Board of Trade memberships, declaring that it will make them worth three times their present value. It also requests the president and directors of the Board of Trade to appoint a committee of five to investigate the question.

The Omaha Grain Exchange is now settled in its new quarters in the Brandeis Building and a general exodus of grain firms from the Board of Trade to the new structure has followed. These companies have found quarters on the fifth floor of the Brandeis Building: The J. H. Hamilton Co. C. D. Sturtevant, Nebraska-Iowa Grain Co., George C. Thompson, Anchor Grain Co., S. Vincent, E. E. Huntley, the J. Rosenbaum Co., the Armour Grain Co., Merriam & Holmquist, the Weekes Grain & Live Stock Co., the J. E. Van Dorn Commission Co., W. C. Sunderland and the Nebraska Hay & Grain Co. In addition the Trans-Mississippi Grain Co. and the Omaha Grain Co. have found quarters in the new building. Logan & Bryan will remain in the Board of Trade Building and the Updike Grain Co. and the Nye-Schneider-Fowler Co. will continue to occupy their present quarters in the Bee Building.

ELECTION AT MINNEAPOLIS.

The annual election of officers to the Minneapolis Chamber of Commerce was held on October 3, when a ticket headed by John D. McMillan went in with practically no opposition. In addition to President McMillan the following were named:

First vice-president, H. F. Douglas; second vice-president, G. F. Ewe. Board of directors, J. L. Tracy, J. R. Marfield, A. H. Poehler, F. M. Crosby, C. A. Magnuson and Henry L. Little. Board of appeals, Thomas N. Taylor, G. A. Duvigneaud and H. G. Fertig. Board of arbitration, L. G. Remund, J. R. Martin and D. A. McDonald.

Mr. McMillan, the new president, is also president of the Osborne-McMillan Co., vice-president of the Empire Elevator Co., a director of the First National Bank of Minneapolis and identified with other important business enterprises. He is one of the most prominent members of the Chamber and has served several terms as vice-president and as director. The other officers are among the younger and more active element of the Chamber and an aggressive administration is predicted.

WINNEPEG'S ANNUAL MEETING.

At the recent annual meeting of the Winnipeg Grain Exchange the following officers and committees were named: President, Jno. Fleming; vice-president, H. N. Baird; secretary-treasurer, C. N. Bell; council, Capel Tilt (Jas. Carruthers & Co.); E. W. Kneeland (British-American Elevator Co.); J. C. Gage (International Elevator Co.); G. V. Hastings (Lake of the Woods Milling Co.); W. J. Bettingen (Imperial Elevator Co.); G. B. Crowe (Northern Elevator Co.); Samuel Spink (Grain Commission); R. Muir (R. Muir & Co.); John Love (Winnipeg Elevator Co.); Alex. Reid (Western Elevator Co.); and W. A. Black (Ogilvie Flour Mills Co., Ltd.); committee of arbitration, S. Spink, T. H. Hatchard, Alex. Reid, Donald Morrison, W. A. Matheson, N. Bawlf and F. N. McLaren; committee of appeals, S. P. Clark, E. W. Kneeland, W. W. McMillan, W. A. Black, Thos. Thompson, A. R. Hargraft and W. L. Parrish.

A number of reports were submitted and a large amount of business was transacted. It was announced that the new Exchange Building will be completed about the middle of next year. The structure will be seven stories high and will have 70,000 square feet of office space in addition to that occupied by the Exchange. A recommendation was made to reduce the commission charge on oats from 1 cent per bushel to 1/2 cent. It was stated that the Exchange had made arrangements for direct wire service from Chicago and Minneapolis, and also that the terminal elevators will shortly put into effect a system for securing correct weights.

IMPORTANT CHANGES AT OMAHA.

Changes made in the constitution, by-laws and rules of the Omaha Grain Exchange have been fully ratified by the board of directors. The directors feel that the growing importance of the market makes it essential that all the methods of doing business, including trading regulations and weighing and inspection rules, should conform to the best standards of the trade, and an honest effort has been made in this revision to bring about the adoption of recognized standards.

Generally speaking, the changes made were as follows: Membership.—Gives the Membership Committee power to issue a ticket good for 30 days to a representative of a member when that member is incapacitated, by absence or illness, from attending the sessions of the Exchange. This change was made so that the memberships may all be exercised actively. Empowers the Membership Committee to extend trading and floor privileges to applicants for membership pending their election. This carries with it all the privileges of membership except that of voting. Deliveries on Contracts.—Under the old rules the requirement was that grades of this market and destination weights would be accepted in making deliveries unless otherwise agreed by the parties. The rule now reads that delivery must be made on Omaha Grain Exchange weights and grades, except that settlement may be made on shippers' weights when so agreed between the buyer and seller at the time of sale. All members buying grain to arrive at Omaha must, under the new rules, negotiate for same subject to Omaha terms. This has heretofore been optional as to weights. Inspection and Weighing.—The rules governing inspection and weighing have been thoroughly revised. The grades of all kinds of grain at the Omaha market have been made to correspond as nearly as possible with the grades at the principal primary grain markets. The following additional grades of grain have been adopted: Grades for Pacific wheat, durum (or macaroni) wheat, flint corn, 4 yellow corn, 4 color oats, clipped oats, No. 1 feed barley, hay brewing barley, Chevalier barley.

This is the first time that the rules have been revised since the organization of the Exchange in 1903. All of the changes that have been made at various times since the Omaha rules were first issued in 1904 will be incorporated in a new volume, which is now in the hands of the printer and which will be issued soon and distributed to the grain trade.

PERSONAL

Milburn Rust is managing the Rust Elevator at Altamont, Kan.

Eli Brown is in charge of the elevator at Hancock, Minn.

Ben Kimber is buying grain for an elevator at Clitherall, Minn.

Pete O'Toole of Crystal has charge of an elevator at Durbin, N. D.

F. D. Lambertson of Adrian, Minn., has taken a position at Ireton, Minn.

Arthur Sen is manager of the Independent Elevator at Orient, S. D.

Hy Hunter has taken charge of the Homestead Elevator at Ottertail, Minn.

W. Greenfield is in charge of the Regan & Lyness Elevator at Mercer, N. D.

Howard Eastman will again be in charge of the Smith Elevator at Lake City, Minn.

J. M. Bain has charge of the Peavey Elevator on the Great Northern at Ardock, N. D.

J. J. Vogt is buying grain for the Hubbard & Palmer Elevator at Mountain Lake, Minn.

William Cone of Northcote, Minn., is in charge of the National Elevator at Argyle, Minn.

I. H. Wissenburg of Belvidere, Neb., is now at Kramer, Neb., in charge of an elevator.

J. L. Vogel will buy grain for the Atlantic Elevator Co. in its house at Nashua, Minn.

Jonas Holm is now in charge of the South Side Jones Elevator at Cannon Falls, Minn.

J. C. Case of Ellinwood, Kan., has gone to Great Bend, Kan., for the Moses Bros. Elevator Co.

H. R. Baker of Dodge Center, Minn., has been made manager of an elevator at Easby, N. D.

W. C. Holland of Sisseton, S. D., has taken charge of the Sullivan Elevator at Tagus, N. D.

A. Smith of Ruthon, Minn., has taken charge of the Northwestern Elevator at Florence, Minn.

Don Abbott of Webster, S. D., has been engaged to operate the elevator at Milbank, S. D.

M. G. Sheehan of Faribault, Minn., has taken charge of the Minnesota Elevator at Fessenden, N. D.

Frank Bowers of Fessenden, N. D., has taken charge of the Independent Elevator at Kensal, N. D.

Walter Ford of St. Vincent, Minn., is running the elevator at Noyes, Minn., a station on the Soo road.

Lew Julius of Knierim, Iowa, has been appointed manager of the Richards Elevator at that place.

Chris Bucher of Zumbro Falls, Minn., has taken charge of the Jones Elevator at Lake City, Minn.

A. W. Nelson of Parkers' Prairie, Minn., is managing the Woodworth Elevator at Fergus Falls, Minn.

Sydney W. Smith of Lake Benton, Minn., is now buying grain for the Atlas Elevator at Tyler, Minn.

S. Johnson of Centerville, S. D., is now running the McCaull-Webster Elevator at Wentworth, S. D.

E. Peterson of Altamont, S. D., has become manager of the Western Elevator Co.'s plant at Seaforth, Minn.

Herman Berglund of Alexandria, Minn., has succeeded Iver Bondy as manager of the elevator at Henning, Minn.

Art De Long of Hector, Minn., has gone to Heaton, N. D., as manager and buyer for the Lyon Elevator Co.

Ole Sather of Jamestown, N. D., has been appointed agent for the Lyon Elevator Co.'s business at that place.

James Hanna has taken charge of the Northwestern Elevator, formerly the Quinn Elevator, at Litchfield, Minn.

Putnam Spaulding of Warren, Minn., has gone to Soo City, N. D., where he is in charge of the Spaulding Elevator Co.

John Klein of Kulm, N. D., has gone to Streeter, N. D., to take charge of the Streeter Elevator Co.'s elevator.

Sidney C. Love, of the Chicago Board of Trade firm bearing his name, and Miss Marjorie Burnes—said by Burne-Jones, the artist, to be the most beautiful girl in Chicago—are betrothed. The an-

nouncement was made a few days since, upon Miss Bournes' return from Europe.

Hans Degerner of Sundahl, Minn., has gone to Kellogg, N. D., where he is in charge of the Great Western Elevator.

Charles Nordgren of Garretson, S. D., will take charge of an elevator at Hanley Falls, S. D., for the New London Mill Co.

W. Talen of Prinsburg has taken charge of the Thorpe Elevator at Raymond, Minn., where he succeeded Lucas Slagter.

A. G. Davis, manager of the Northern Grain Co.'s Elevator at Belle Plaine, Iowa, has been transferred to Minneapolis, Wis.

Ed Lundquist of Wilmar, Minn., is now in charge of an elevator for the Northwestern Elevator Co. at Granite Falls, Minn.

John Scheidt of Minnesota Lake, Minn., is agent for the new elevator J. H. Cousins has just completed at Sykeston, N. D.

Martin Pearson of Starkweather, N. D., has taken charge of the elevator at Burwell, Minn., where he succeeds Anton Nelson.

T. H. Midbo is now in charge of the Adams Independent Elevator, formerly the McEwan, Dougherty & West plant, at Adams, N. D.

Mike Dempsey of St. Peter, Minn., has gone to Spiritwood, N. D., where he is in charge of the elevator owned by Doty & Rounseville.

Max Stewart of Rugby, N. D., has moved his family to Fero, N. D., where he has charge of the North Dakota Grain and Land Co.'s Elevator.

Ed Mennie, former buyer for the Lake Benton (Minn.) Farmers' Co-Operative Association, is now traveling solicitor for a Minneapolis grain house.

Thomas Stende, formerly with the Monarch Elevator Co., at Syre, Minn., has gone to Carthage Junction to take charge of an elevator for the company.

John Guttarmson, for the past two years buyer for the Dakota Elevator Co. at Stephen, Minn., has gone to Harwood, N. D., to run an elevator for the same company.

George O. Farrell has resigned as buyer for the Hubbard & Palmer Co. at Luverne, Minn., and has gone to Kasota, where he becomes traveling buyer for the Kasota Grain Co.

Mike Bungardner has succeeded George B. Stearns as agent of the New Richland Elevator Co.'s newly acquired elevator at New Richland, Minn. Mr. Stearns resigned owing to ill health.

F. O. Wright of Winslow, Neb., has resigned as manager of the Nebraska-Iowa Grain Co.'s elevator to take a similar position at Uehling, Neb., with the Holmquist Grain Co., where he succeeds the late John Heyne.

Robert T. Ray, a grain dealer of Delavan, Kan., was seized with heart trouble while on a train bound for Wilsey, and was taken from the train unconscious. He is in a serious condition as he has suffered previous attacks.

Thomas G. Craig, member of the Chicago Board of Trade firm of Carson, Craig & Co., was seriously injured on the evening of October 2, when an automobile in which he was riding collided with a street car. His head was injured, three ribs were broken and four toes so badly smashed that they had to be amputated. His foot fell on the tracks and was run over by the car wheels.

Lawrence W. McMaster of Clarendon Hills, a suburb of Chicago, Ill., who is associated with Re Qua Bros. on the Board of Trade, has been presented with a silver medal by the Government in reward for his heroism. Mr. McMaster, who is owner of a sail boat, modestly admitted that he was instrumental in saving the lives of Edward Baker, J. T. White, Erwin Timberlake, F. M. Bennett, C. M. Briggs and Louis Goldsmith twenty-eight miles off Chicago on the Michigan City course on the night of September 2, 1905. The yacht Delight, which McMaster mastered, picked up the six men from the sinking San Toy with great peril to itself during a severe storm.

Independent grain buyers in the Palouse country of Washington contend that they have been denied cars for handling their grain unless the order comes from a manager of a recognized elevator. E. Harvey of Pullman, buyer for the Palmerton-Harvey Co. of Seattle, is authority for the assertion, and his complaint is cited by the independent men as proof that a close combination exists between the "warehouse trust" and the railroads. P. W. Lawrence, another independent, says he was told that his orders must come through a warehouse manager and that he would have to wait his turn.

HAY AND STRAW

Hay is about \$25 a ton at North Bloomfield, Cal. The alfalfa meal mill at Shawnee, Okla., is in operation.

The Seal-Wilson Co.'s new 200-ton hay warehouse at Redlands, Cal., is practically completed.

The army recently let the contract for 7,000 tons of timothy to be shipped to the Philippines.

Young Bros. Hay Co. of Lansing, Mich., has increased its capital stock from \$15,000 to \$20,000.

A fair street quotation for hay at Saginaw, Mich., during the latter part of September was \$14 to \$16.

A string of specially constructed box cars for hay have been received by the R. P. Lipe Co., Toledo, Ohio.

A. J. Holderman, S. T. McIntosh and others are interested in a proposed alfalfa meal plant at El Dorado, Kan.

J. H. Murphy & Co. of Sandusky, Mich., have been negotiating for the sale of their hay business to an eastern firm.

Sinton Bros. & Co. of Baltimore, Md., recently received a car of hay from Cecil County which contained 42,050 pounds.

Advices from Pekin, Ill., state one of the largest crops of clover hay ever harvested has been secured in that section.

Reports from Lexington, Ky., indicate the hay crop in that state will be unusually large this season. The native hay seems to command as good a price as western hay.

A hay warehouse containing 150,000 tons of hay was burned at Goldfield, Nev., on September 10. The loss was \$6,000, with \$3,500 insurance. Tramps are blamed for the blaze.

Articles of incorporation have been filed by the Consolidated Hay & Grain Co. of New York, N. Y. It is capitalized at \$35,000 by Leo McDaniel, W. L. Duncan and C. L. Cassle.

The Ontario Agriculture Department says: "Two years in succession of winter killing has proved too much for clover, and the average yield of hay will be the poorest for many years."

During the forepart of September a noticeable shortage in hay was reported in and around Victoria, B. C. Prices for both loose and baled hay ranged from \$20 to \$25 per ton.

Humphrey & Cornell have disposed of their hay business at Providence, R. I., to R. B. Farnham & Co. Mr. Farnham has been manager and salesman of this department for the past seven years.

A report late in September from Le Grand, Cal., says thousands of tons of hay are awaiting shipment, while the shippers are clamoring for cars. Much of it is piled along the tracks without shelter and stands to be damaged by rain.

Albert Todd & Co. of Owosso, Mich., have consolidated their hay business with that of L. W. Todd & Co. of Boston, Mass., and in the future the firm name will be the Albert Todd Co., with headquarters at Owosso. L. W. Todd will represent the firm in the East and South.

James Ridings, two miles west of Salina, Kan., recently cut ten acres and thrashed seventy-two bushels of alfalfa seed and put up thirty tons of hay. Mr. Ridings sold his seed for \$8.75 a bushel, and estimates that his alfalfa crop this year will bring him about \$80 an acre.

C. R. Wright, Sam Halin and Thompson Bros. have incorporated and will operate an alfalfa meal mill at Osborne, Kan. A building 26x40 feet will be erected and an engine house 20 feet square. A mill perfected by Lem Thompson will be used and will grind from 15 to 20 tons per day.

E. S. Davidson, R. G. Brown and others are promoting an alfalfa feed mill for Norton, Kan. Over \$15,000 has been subscribed and as much more is in sight. Three buildings, a mill, storehouse and warehouse of brick construction and concrete ceilings, roofs and floors, will be erected.

Prices for good hay are high throughout Montana and have good prospects of going higher. A number of railroad and irrigation projects all over the West will use enormous quantities of forage and therefore are responsible for the demand. Northern Montana has immense crops this season.

According to the special crop report compiled by the American Agriculturist, the average yield of hay in New England, New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Missouri, Kansas and Nebraska is placed at 1.41 tons per acre. This, compared with the crop of 1906 in the same states, which averaged 1.27 per acre, makes an increase of 14 points. The acreage in the same states shows the slight in-

crease of 4,306 acres. The total yield for the United States is placed at 52,000,000 tons in 1907, 52,000,000 in 1906, and 58,000,000 in 1905.

The last bulletin of the Maine Agricultural Station gave the hay crop an average of 97 per cent as compared to last year.

At the recent meeting of the New York Hay Exchange Association elected officers for the ensuing year as follows: President, John E. Murray; first vice-president, Fred M. Williams; second vice-president, A. A. Hanks; treasurer, F. A. Slingerland; secretary, George M. Dickerson; directors, Frank Williams, Charles J. Austin, George E. Van Vorst.

At the last meeting of the Shawnee County Alfalfa Club, held at Topeka, Kan., on September 28, the subject of alfalfa was discussed by Prof. Ten Eyck of the Agricultural College, Prof. S. J. Hunter of Kansas University, Dr. Henry Wallace of Des Moines, F. D. Coburn of Kansas, ex-Governor George W. Glick of Atchison, Prof. Dan Otis of Madison, Wis., Prof. Cottrell of Colorado and J. W. Robinson of El Dorado.

The receipts of hay are still very liberal, and the quality is mostly good. Prices are weaker and we think they will be steady from now on as quoted. There is every reason to believe that values at terminals are not what they should be when compared with farmers' demands, but the supply regulates the prices, and the best thing to boost prices just now would be scarcity of cars. Supplies of clover mixed and clover are still short of the demand, and a few cars of good green dairy hay find ready sale. Prairie hay is still moving slowly with prices inactive.—Pittsburg Hay Reporter (October 8).

THE HAY CROP.

In the accompanying table will be found Orange Judd Farmer's final report on the hay crop of 1907, showing by states the acreage, rate of yield per acre and tons.

THE HAY CROP OF 1907 by STATES.

	Acreage.	Per acre.	Tons.
New England	3,950,000	1.40	5,530,000
New York	5,202,000	1.40	7,283,000
Pennsylvania	3,200,000	1.40	4,480,000
Texas	374,000	1.50	561,000
Arkansas	83,000	1.50	124,000
Tennessee	359,000	1.50	538,000
West Virginia	501,000	1.40	701,000
Kentucky	332,000	1.35	448,000
Ohio	2,226,000	1.40	3,116,000
Michigan	1,872,000	1.20	2,246,000
Indiana	1,393,000	1.30	1,811,000
Illinois	2,327,000	1.35	3,141,000
Wisconsin	1,638,000	1.65	2,703,000
Minnesota	833,000	1.60	1,333,000
Iowa	2,711,000	1.45	3,931,000
Missouri	2,228,000	1.50	3,342,000
Kansas	2,005,000	1.20	2,406,000
Nebraska	561,000	1.50	842,000
North Dakota	136,000	1.45	197,000
South Dakota	188,000	1.75	329,000
California	628,000	1.75	1,099,000
Washington	357,000	2.35	839,000
Oregon	330,000	2.00	660,000
Oklahoma	242,000	1.55	375,000
Other	3,805,000	1.20	4,566,000
Total, 1907	37,481,000	1.40	52,511,000
1906	38,897,000	1.36	52,897,500
1905	40,306,000	1.45	58,164,000

SECRETARY GOODRICH GIVES OUT REPORT.

P. E. Goodrich, secretary of the National Hay Association, issued on September 23 a bulletin giving the results of his inquiries among the members. The latter are very gratifying as 286 replies are recorded. In answer to the question, "How does crop as a whole compare with one year ago?" the summary was: Arkansas, less; Illinois, 125%; Indiana, 129%; Maryland, 100%; Massachusetts, 87%; Michigan, 91%; Missouri, 100%; New Jersey, 125%; New York, 86%; Ohio, 126%; Pennsylvania, 106%; Virginia, 166%; Wisconsin, 83%. It appears to be the unanimous opinion that farmers are not selling freely, however, while the shippers are holding less than last year.

In summarizing the crop as an average in comparison with the last five years it is shown as follows: Arkansas, less; Illinois, 50%; Indiana, 100%; Kentucky, 100%; Maryland, 100%; Michigan, 82%; Missouri, 100%; New Jersey, 100%; New York, 72%; Ohio, 101%; Pennsylvania, 104%; Virginia, 164%; Wisconsin, 91%.

In regard to the straw crop being larger or smaller than for the past five years the replies show: Arkansas, larger; Illinois, 90%; Indiana, 100%; Kentucky, 115%; Maryland, 100%; Michigan, 95%; Missouri, 110%; New Jersey, 112%; New York, 87%; Ohio, 88%; Pennsylvania, 98%; Virginia, 100%; Wisconsin, 88%.

The report gives many other interesting figures regarding grain conditions, etc., and concludes with the statement that "it leads us to think the hay crop is not as large as was at first reported. * * * We may reasonably expect that present prices will be maintained."

IN THE COURTS

Creditors of the Taylor Grain Co. of Topeka, Kan., have been notified by the referee in bankruptcy that the property has been sold for \$93,175, which just about covered the secured claims.

The United States Court of Appeals at Denver, Colo., on September 23, sustained the verdict of the lower court at Minneapolis, by which the Great Northern R. R. Co. was fined \$20,000 for granting rebates to grain companies, as was chronicled in these columns.

The Rogers Grain Co. of Bloomington, Ill., on October 2 obtained a judgment against G. T. Crum for \$57, the amount of the difference in the contract price and the sum Crum received for 300 bushels of corn he failed to deliver the plaintiff according to agreement.

The Kiddle Grain Co. of Omaha, Neb., has instituted suit in the federal District Court against the Burlington Railway, charging the defendant had willfully and purposely neglected and retarded shipments of grain to and from plaintiff. It is alleged further that the defendant refused to furnish cars promptly.

Nash, Wright & Co., Chicago, have commenced action in the municipal courts to recover \$40,000 from Daniel C. Wright of Lacon, Ill. It is alleged that Wright is indebted to the grain firm on a promissory note for \$10,000 and an open account of \$20,000. Wright, who is a member of the Board of Trade, has set up a gambling plea.

Judson Nichols, a grain dealer of Decatur, Ill., was held in the sum of \$2,000 by United States Commissioner Pavy of Springfield, to await the action of the federal court on the charge of making a false affidavit in the schedule of bankruptcy which he filed with the District Court at Danville. He failed to qualify some \$2,000 worth of grain which he owned.

John R. Watson is suing the Elwood Grain Co. of St. Joseph, Mo., for \$5,000 damages, alleging he was burned and disfigured by gasoline while working in the company's elevator last month. He claims he was holding a blow-pipe while assisting the foreman in removing a piston rod from an engine, when a rubber tube slipped from its fastenings and he was bespattered with burning fluid.

Suit has been brought by the Loftus Hubbard Elevator Co. of Grand Forks, N. D., against the Great Northern Railroad to recover \$219.14 for an alleged shortage in a car of oats shipped June 10, 1906, by the Minnesota Western Grain Co., on account of the plaintiff, to A. Guthrie at Berthold, N. D. The oats, which were worth 32 cents a bushel, weighed 78,400 pounds when shipped and 56,486 pounds when delivered.

An appeal was taken to the Supreme Court by the Missouri Railroad Commissioners in their suit against the St. Louis Merchants Exchange and the Kansas City Board of Trade, to prevent it from enforcing the Avery Bill, providing that state inspectors shall weigh grain. This action was taken immediately after Judge Taylor, before whom the case was pending, overruled the board's demurrer to the petition. A temporary injunction is in effect restraining the board from enforcing the law.

C. E. Burgess of Devil's Lake, N. D., is suing Thomas Taylor of Minneapolis, Minn., for \$25,000 damages, alleging that the defendant was instrumental in his being refused admission to the Minneapolis Chamber of Commerce last winter. The plaintiff avers he lost money and has been subjected to uncalled-for humiliation at the hands of the defendant. The complaint sets forth that he was engaged in buying and storing grain in elevators along the lines of railroads in North Dakota. He claims that on November 13, 1906, Taylor referred to him in the Chamber of Commerce Building, Minneapolis, as a "crook," and soon after Burgess was asked to withdraw his application for admission.

The H. Parker Grain Co. of McPherson, Kan., became involved in the District Court on September 21, when suits for \$267,000 were commenced by its creditors. In some instances two suits for the same amounts were begun. The National Bank of Commerce filed suit for \$58,322.97; the Atchison, Topeka & Santa Fe Railroad for \$80,000, and the People's State Bank of McPherson for \$14,000. The defendant company operates six elevators and has a connection in Kansas City under the name of the J. F. Parker Grain Co. Two weeks prior to its difficulties checks issued on the National Bank of Commerce were thrown out, and efforts were at once made to reach a settlement with the creditors, but these failed. Although the total amount of at-

tachments and mortgages filed here against the Parkers is \$267,000, it is likely that they represent indebtedness of approximately only \$100,000. In filing these suits there was necessarily considerable duplication. It is expected H. Parker will resume business through the J. H. Parker Co.

John E. Hawthorne, a prominent grain dealer of Bloomington, Ill., with branches at Colfax and other places in that vicinity, has filed a petition in bankruptcy in the United States District Court, scheduling his liabilities at \$83,316.87 and his assets at \$80,673.30. Dealings in options and unlimited credit are given as the causes for his failure. The heaviest creditors are the Third National Bank of Bloomington, holding notes to the value of \$13,500; J. W. Arnold & Co. of Colfax, possessing paper to the amount of \$18,750; the old First National Bank of Farmer City, \$9,994.89, and the Bank of Cooksville, Ill., \$8,860.75. Of the \$83,316.87 liabilities claims of \$57,867.80 are secured, while \$24,397.90 are unsecured. Of his assets he possesses real estate valued at \$67,400, which includes one elevator at Fullerton, Ill., \$8,000; four at Bloomington, \$32,000, and one at Colfax, \$15,000. Mr. Hawthorne was born October 23, 1872, on a farm near Colfax, Ill. He was educated at Hedding College, and in 1896 located at Cooksville, Ill., where he entered the grain business, buying for the Middle Division Elevator Co. for two years. In June, 1899, he started his own business in an elevator with 50,000 bushels' capacity.

A bill was filed in the Circuit Court at Chicago on October 6, by judgment creditors of the Chicago Railway Terminal Elevator Co., owner of the Iowa and City elevators, asking the appointment of a receiver to manage the property. The Sanitary District trustees but a few days before offered to purchase the property for \$850,000. Besides the elevator company, the defendants are the Nebraska City Packing Co., P. B. Weare & Co., the Weare Commission Co., Portus B. Weare and Charles A. Weare, insolvent companies and persons. The receivership is asked by Rockwood W. and Joseph W. Hosmer of R. W. Hosmer & Co., Charles H. Rogers and Charles E. and Louis C. Rollo of Rogers & Rollo. The complainants hold judgments for \$38,160, and they allege the property has not been well managed under an agreement between themselves as creditors and the Commercial National Bank and the Bank of Montreal, made in 1903 for the administration of the property. The two banks and John S. Goodwin and George M. Eckels also are made defendants. Mr. Goodwin, attorney for the banks, has managed the property as trustee and is alleged to have received \$21,400 a year for 1904, 1905 and 1906. In these years he has spent \$40,000 also for attorney's fees, the bill avers, and his only service has been the renting and caring for repairs to the elevators, attending to insurance and engaging in litigation with the sanitary trustees. The Galena Elevator was sold by Mr. Goodwin for \$398,000. Besides the Iowa and City elevators, there is another, the Union Elevator, still in the custody of the trustee.

ARBITRATION AWARD.

The following is a copy of an arbitration decision rendered by the arbitration committee of the Kansas Grain Dealers' Association:

The Bennett Commission Co., Wichita, Kan., vs. Smith Bros., Lewis, Kan.—In the above entitled cause it has been shown that the plaintiff sent out a line of card bids and that such card bids specified that the bid was subject to destination mill weights and grades, and that shipment of a lower grade would apply at a certain discount.

The defendant accepted one of these card bids for 1,700 bushels wheat on a counter offer, as their message of acceptance reached plaintiff too late to apply on such card bid. Confirmation was sent by plaintiff; the grain was shipped; inspected at destination; and a grade of No. 4 was returned, damaged and rye-mixed.

The claim of defendant, that wheat was not sold on basis of grade specified in card bid, is not borne out by evidence submitted, as card bid very plainly states "No. 2 dark Turkey," and according to rule No. 3, with reference to card bids, it is plainly stated: "The acceptance of a card bid shall carry with it a full acceptance of the written and printed conditions contained therein."

The contention of the defendants, that they did not sell the plaintiff dark Turkey, as none is raised in their community, should have been settled when confirmation was received; for if the defendant could not furnish dark Turkey, as confirmation of plaintiff plainly states "No. 2 dark hard milling wheat," they should have at once advised plaintiff, according to Rule No. 4 with reference to confirmations, which reads as follows: "It shall be the duty of both buyer and seller, on day of trade, to mail, each to the other, a confirmation in writing (the buyer a confirmation of purchase and the seller a

confirmation of sale), setting forth the specifications, as agreed upon in the original articles of trade. Upon receipt of said confirmation, the parties thereto shall carefully check all specifications named therein, and upon finding any differences, shall immediately notify the other party to the contract by wire, except in the case of manifest errors and differences of a minor character, in which event notice by return mail will suffice."

The two cars in question were unloaded, and in making returns the plaintiff deducted 10 cents per bushel, account misgrade, this being the market difference at final destination, which was Los Angeles, Cal. To the grade and application the defendant objected and refused to pay overdraft which resulted, on the ground that they did not sell dark Turkey wheat, but requested a compromise on the basis of the difference between No. 2 hard and dark Turkey on any general market.

Rule No. 12 plainly states, with respect to terms, as follows: "The word 'terms' shall mean that the weights and grade of shipment shall be determined in the market agreed upon at the time of sale."

The evidence in the case does not show that any particular market other than a reliable mill was agreed upon; therefore, in accepting the billing instructions of plaintiff, the defendant agreed to the terms of the market to which the wheat was shipped, and which in this case was Los Angeles, Cal. In the application of market difference with respect to off grades, Rule No. 28 states as follows: "It shall be the duty of receivers, track buyers and distributors of grain on regular market terms, either to apply off-grade grain on contract at ruling market difference on day of arrival, or, if such grain be unmerchantable, notify the seller, by wire, of condition of grain, stating whether unloaded or still on track; whereupon it shall be the duty of the seller receiving such notice to wire disposition at once. Off-grade grain sold for account of shipper shall not apply on contract."

With respect to the contention of defendant in question, brought up with respect to their message to plaintiff on August 16, in specifying, "Thebes weights and grades subject to the confirmation," Rule No. 31 applies, as "specifications of a contract cannot be altered or amended without the express consent of both buyer and seller. (This abolishes the custom of silence confirms.)"

The application of Rule No. 22 plainly states, "Where sales are made on destination terms, it shall be the duty of the seller to leave ample margin on his draft to provide for possible discrepancy in weights and grades;" therefore the contention of the plaintiff on strictly right and proper, as drafts should have been made with the proper margins as stated.

The committee is able to find nothing in any portion of the Trade Rules that would indicate any necessity for the buyer to notify the seller of shipments misgrading, or of its application on contract when card bid plainly specifies that lower grades shall be applied either at fixed discounts or market differences; but, on the contrary, find that such is not necessary.

With respect to the contention of the defendant that he was not notified in proper season with respect to the unloading of this grain, your committee believes that plaintiff acted wisely in having this grain unloaded in separate bins, in order to prevent demurrage, and that such action was reasonable and just and without intention to any manner defraud the said defendant, that such plaintiff used every effort to dispose of the wheat to the best possible advantage, and also that said defendant was given every chance within reason to protect his interests through the actions of the plaintiff.

This committee, in order to reach a just and equitable award, has made special inquiry in regard to the customs which govern in many of the larger markets, and from this inquiry find that it is not customary or necessary for the buyer to notify the seller when grain fails to grade up to contract when buyer's card bid provides that shipments misgrading shall be applied either at a fixed discount or the market difference. Neither is it necessary or customary for buyer to obtain seller's consent to the basis of application either at a fixed discount or the market difference, such basis having been agreed upon and consented to by both parties at the time the card bid was made by the buyer and accepted by the seller.

The decision, therefore, of this committee, according to our National Trade Rules and the customs of the trade in use generally, cannot do otherwise than to award judgment against the defendant and in favor of the plaintiff in the sum of \$165.07, and the cost of this arbitration.

I. A. PRIBBLE,
C. A. SMITH,
T. J. TEMPLER,
K. G. D. A. Arbitration Com.

TRANSPORTATION

On October 5 the lake carriers raised the rate on grain from Superior to Buffalo. Cargoes offered on a 2½-cent basis were refused.

The federal court at Omaha, Neb., on September 26, denied the injunction asked by the Nebraska railroads to prevent the enforcement of the State Railway Commission's order reducing grain rates, and the restraining order was dismissed.

A joint rate on wheat, terminal rates on hay, oats, barley and mill feed extending over the Northern Pacific to points on Grays Harbor, Willapa Harbor and to Bellingham, Sumas and intermediate points, have just been issued by the Washington Railroad Commission.

A formal order by the Nebraska Railroad Commission demanding the Willmar & Sioux Falls R. R. Co. to furnish cars at the stations along its lines for the shipment of grain direct to Omaha has been issued. This is the result of a complaint of the Omaha Grain Exchange made some time ago against the Great Northern road.

Business in Eastern traffic centers is more or less affected by the shortage of cars. It is stated the New York Central lines west of Buffalo are short more than 7,000 cars and the Lake Shore 3,500. During the first week in October there were 600,000 more bushels of grain shipped East from Chicago than during the previous year, and 1,251,000 bushels in excess of the corresponding week of the year previous.

The Northwestern Railroad gave notice to the Interstate Commerce Commission that, effective September 26, it would abolish the payment of elevation allowance of ¼ cent per 100 pounds on grain previously paying the allowance at Omaha, South Omaha, Council Bluffs, Fremont and Missouri Valley and destined to St. Paul, Duluth and other points which takes the same rates on the Chicago, St. Paul, Minneapolis & Omaha road.

The Montreal Transportation Co. has notified grain shippers of Chicago and elsewhere that owing to the congestion in the trade on the St. Lawrence no more grain will be received this season for shipment between Kingston, Prescott and Montreal, outside of existing contracts. As this company does all the business in transshipping from lake vessels to the ocean steamers at Montreal, this notice apparently ends traffic in American vessels in the Canadian export route.

The Illinois Central has lately announced a ¾-cent transfer allowance at St. Louis on grain in all directions. The Cotton Belt and other lines allow this on grain to certain territory only. This may cause shippers at Omaha to ship via the Wabash and Missouri Pacific to St. Louis to get the allowances at both places after transferring to the Central at St. Louis. Grain men at the latter place have recently filed complaint against the Rock Island, Burlington and Missouri Pacific roads for making the allowance at Omaha and not at St. Louis.

[For the "American Elevator and Grain Trade."]

RAILWAY SITUATION IN OHIO

BY HOWARD L. SPOHN.

The new rules of the state railway commission governing the car service and demurrage charges, which were adopted last spring, and which were delayed from time to time by the defiant attitude assumed by the railway companies of the state, finally went into effect on October 1, and every railway in Ohio is now running its business in accordance with those orders. The rules are proving of great benefit to a large number of shippers in Ohio. The additional day of free time given for the handling of cars is helping out the question of demurrage charges with many, who, while they ordinarily were able to care for their consignments during the free time, often found themselves hampered by the railways by a process of bunching that often worked a gross injustice. The additional day, making three now instead of two as before, has lent sufficient time to properly handle all cars except in cases of absolute emergency.

Very few shippers are availing themselves of the right to agree with the railway companies for the adoption of the average plan. There are a number of undesirable strings attached to the plan which make it undesirable in most cases; besides, the free time added to the old plan has made the average plan unnecessary for most shippers. The result is that very few have to this time adopted the average plan and it seems that not many will for some time to come.

In Toledo shippers have had very little trouble

concerning demurrage charges for a long time, and the new rules do not confer the same additional benefits that they do in sections of the state differently situated. The fact is that Toledo shippers have for a long time paid demurrage charges when they believed them to be just and equitable, and when they did not so believe them to be, they have quietly consigned them to the waste basket and defied the railways to collect them if they dare. There are now in the city of Toledo thousands of dollars of unpaid demurrage charges coming from shippers who have defied the railways to do their worst, and there has not yet been one single suit brought to recover payment in the courts here.

There is in this city an organization known as the Toledo Car Service Association, with handsomely appointed offices and a large corps of clerks in one of the best office blocks in the city. Just who this Association is or whom it represents, it refuses to tell explicitly. It has been doing business here for a long time, and evidently is an organization of importance. It assumes absolute control over all questions of car service, demurrage and everything else connected therewith of the twenty-two railways entering the city of Toledo. An inquiry as to whether it was or represented a combination of all the various railway companies entering the city for the purpose of regulating, fixing charges and assuming control of the car service branch of these corporations, would be met by silence or by an evasion. The difficulty is that the famous Valentine law of Ohio forbids all combinations which in any way tend to destroy competition.

For a long time the Toledo Car Service Association made out all bills for demurrage charges in its own name and presented them to shippers for payment, and most of them were honored. But the time came when trust prosecutions became popular in Toledo—the ice men, the lumber dealers, the brick combine, the bridge people and the plumbers all coming in for their share of disciplining. The Valentine law, which was then but little understood outside of law offices, and not thoroughly known in many of them, became a subject of inquiry and research, and shippers began to wake up to the far-reaching scope of its possibilities, and so it happened that many very embarrassing queries were put to the representatives of the so-called Toledo Car Service Association, with the ultimate result that the bills for demurrage began to come in, not in the name of the Association, but in the name of the delivering railway.

But it was too late; the cat was out of the bag, and Toledo shippers assumed an independent attitude on all claims for demurrage. While they have shown no disposition to beat honest bills, they have assumed the role of arbiter, and any claim which savored of extortion or unfairness has been quietly assigned to the waste basket, and payment refused. The railway companies, or, perhaps, more properly speaking, the Car Service Association, has shown no disposition to court investigations by rushing into court and giving publicity which might be avoided and which might work disaster if made the subject of official inquiry.

The Valentine law not only provides an absolute defense to all claims sued in these cases, but attaches drastic penal clauses, and provides for damage suits besides. The result has been that the question of demurrage charges has caused little annoyance here, and the new rules going largely to a relief along those lines are not of as much value to Toledo shippers as they are to shippers in other parts of Ohio, which are differently situated.

These new rules are generally looked upon, however, as being a step in the right direction, and the Ohio Shippers' Association, having accomplished this signal victory, has now planned to go a step further and ask the state Commission for some relief along the lines of freight classification. The railways of this state have divided all classes of freight in this state into six classes, with the result that many coarse and cheap commodities are now being grossly overcharged, and there is no escape from the arbitrary and inequitable rules that place them in the sixth class. In a short time the traffic and classification department of the Ohio Shippers' Association will file with the commission a petition asking for the establishment of a seventh-class rate for low priced commodities based on distance rates. The work of preparation and compilation of the proposed seventh-grade class has been completed by Walter B. Moore, president of the Association, E. E. Williamson of Cincinnati and J. W. Horst, attorney for the Association. There is every reason for believing that this organized movement of the shippers of Ohio will result in a signal success, and that shippers will receive thousands of dollars in unjust freight charges, if the commission passes favorably upon the petition.

In the meantime there is some complaint that the new rules have a tendency to increase the car shortage, for the reason that cars are being held one day longer in many cases than they would otherwise be, thus putting them out of commission for the purpose of loading and unloading, for the

period of three days, where only two days were consumed before. This is thought to be an exaggerated claim, however, as shippers are generally anxious to complete the work in the least possible time and are not apt to consume the extra day simply because it is allotted free.

The present slight shortage of cars, and the threatened worse conditions, have resulted in numerous conferences between heavy shippers and the officials of the various railways, and an effort is being made to forestall the development of such a situation. An order has been issued from the railway headquarters to many of the division officials, that the cars are not to leave the home lines except in cases of absolute necessity, and then that provision shall be made to secure their return at the earliest moment.

The westbound movement of freight this summer has been unusually heavy, and the claim is made that the Western roads have not returned the cars with the degree of promptitude that they should. Many cars are now being detained in the West which should have been returned weeks ago, with the result that the Western lines now have more than twice as many cars from the East as are to be found on the Eastern tracks belonging to the Western lines. An unfair distribution has resulted, which unless checked threatens to cripple the car service of this and other Eastern states. Even now grain dealers and millers are complaining bitterly about their inability to secure transportation facilities. Louis Mannell, of the Isaac Harter Flouring Mills at Fostoria, speaking of this condition, said: "We need seventeen cars every day to take care of our regular business. We are unable to secure them, and are obliged to do the best we can without them. If there is such a scarcity of cars now, what will be the condition later when the freight movement becomes heavier as it always does?"

Vessel owners at this port are also complaining that the railways are taxed to their limit in caring for their present business. It is thought that there will be some record breaking in the lake trade during this month if the railways are able to care for the traffic, which is deemed improbable. The railway companies have sent out special trackers in the hope of securing the return of some of the equipment, and in the meantime are giving out assurances that there will not be as large a shortage as there was last winter.

GRAIN VALUES ON WEIGHT BASIS.

With the units of price calculations at wide variance there is lacking a readiness for comparing the relative position of prices of the different products from a common basis such as is represented by the pound measurement. Wheat has 60 pounds of weight of products as the unit of calculation, corn 56 pounds, oats 32 pounds, rye 60 pounds, barley 48 pounds, these weights representing bushel measurements. Applying the bushel valuation to the pound basis a comparison can be had on the basis of weight. The Price Current submits the following as an approximate indication of the average annual values of wheat, corn and oats at Chicago, and for rye and barley at Cincinnati, for ten years ending with 1906, for 100 pounds of product, with also the general average for the ten years, and the position of such values at the end of September, 1907:

	Cents Per 100 Pounds				
	Wheat.	Corn.	Oats.	Rye.	Barley.
1897.....	147	45	56	70	81
1898.....	150	55	78	85	98
1899.....	118	59	15	103	108
1900.....	114	68	72	98	110
1901.....	121	89	100	100	133
1902.....	125	107	115	97	133
1903.....	130	80	109	97	120
1904.....	172	89	115	128	129
1905.....	168	89	94	125	114
1906.....	133	82	100	110	118
Annual average.....	138	76	91	101	115
Sept., 30, 1907.....	158	112	109	150	229

For wheat the position of values on September 30 was 14 per cent above the annual average for ten years; for corn it was 47 per cent above; for oats, 85 per cent above; for rye, 48 per cent above; for barley, 99 per cent above. For one dollar the equivalent in wheat on September 30 was 63 pounds, against 72 as the annual average; for corn, 90 pounds, against 132 as the annual average; for oats, 59 pounds, against 110 as the annual average; for rye, 67 pounds, against 99 as the annual average; for barley, 44 pounds, against 87 as the annual average.—Cincinnati Price Current.

The grain standardization laboratory established by the Department of Agriculture in the Chamber of Commerce Building has been opened for business at St. Louis. The purpose of the laboratory is to test grain for moisture, dirt, shriveled or damaged grains. The work is in charge of Clyde E. Leighty, who is assisted by John F. Comerford.

CROP REPORTS

Nebraska soil was well moistened early in October, insuring a favorable start for 1908 grain.

South Carolina's corn crop is estimated as worth \$22,500,000, a remarkable production for that state.

A heavy rain falling over Northern Indiana for three days late in September caused some damage to corn. A good crop is expected.

An authority in Oklahoma says there will be 20 per cent more corn than last year and that the yield will average 30 bushels per acre.

From Amarillo, Texas, it is reported there will be 100 per cent increase in the acreage of wheat this fall in the Panhandle district. Good rains have prepared the soil for seeding.

A Winnipeg report says the wheat crop will fall far below the average, although the acreage is greatly in excess of last year. The total yield will be from 50,000,000 to 55,000,000 bushels.

In Ontario the corn acreage is larger than in other years, but much of the crop is quite late. A good yield is expected. Oats are relatively the poorest crop, the yield being about three-fourths that of previous years.

Corn condition improved a little in the Missouri report, being 84 for October. Last year it was 90 and the crop 234,000,000 bushels. Wheat seeding delayed by dry weather. Acreage may be 10 per cent less than last year.

According to the Connecticut Agricultural Bureau this has been the poorest corn year ever known in the state. Late frosts in the spring delayed planting. Drought in June and unfavorable temperature in summer cause poor harvest.

Prof. R. A. Moore, Wisconsin University, says: "The oat crop in Wisconsin is the poorest in twenty-five years; the corn crop is but ordinary and will probably fall below last year's yield; barley grown from 'select' seed is above the average."

The October Ohio report showed a wheat crop of 32,203,181 bushels; oats 32,918,284 bushels; barley 510,828 bushels; rye 661,943 bushels. The corn condition was 74. Acreage is 2,344,691 acres. Wheat seeding is backward and promises smaller acreage than 1906.

The Michigan crop report estimates the corn acreage harvested was 1,625,850 and the yield 48,775,500 bushels, averaging 30 bushels per acre. The barley estimate is 71,903 acres and 1,509,963 bushels; rye 345,840 acres and 4,841,700 bushels; oats 1,383,976 acres and 27,679,520 bushels; buckwheat 52,832 acres and 792,480 bushels.

The Iowa Grain Dealers' Association says, October 5, the corn crop promises to be about 300,000,000 bushels, but that 25 per cent of the crop will be soft. They called the 1906 crop 373,000,000 bushels, but the 1905 and 1904 crops were 305,000,000 bushels, make the present an average one. Eighty per cent of crop is fed and consumed in the state. Some talk that the feeding demand may not be as large at present high corn prices.

The average quality, corn, is 77.0, against 88.2 in 1906, 92.4 in 1905, and 91.4 in 1904. The total yield of barley is 147,192,000 bu. as compared with 178,916,484 bu. finally estimated in 1906. The average quality is 88.1, against 89.1 in 1906, 86.2 in 1905 and 88.7 in 1904. The preliminary estimate of yield per acre of hay is 1.44 tons, against 1.35 tons as finally estimated in 1906. A total production of 60,766,000 tons is thus indicated, as compared with 57,145,959 tons finally estimated in 1906. The average quality is 90.4, against 89.9 in 1906, 89.8 in 1905 and 92.7 in 1904. The following table gives the approximate yields in the big surplus producing corn states, indicating a shortage in these states of 284,000,000 bu. as compared with the preceding year and of 211,000,000 bu. as compared with the yield of 1905:

	1907, bu.	1906, bu.	1905, bu.
Ohio	103,000,000	142,000,000	112,000,000
Indiana	158,000,000	184,000,000	187,000,000
Illinois	319,000,000	347,000,000	383,000,000
Missouri	222,000,000	229,000,000	203,000,000
Kansas	165,000,000	195,000,000	193,000,000
Iowa	267,000,000	373,000,000	305,000,000
Nebraska	202,000,000	250,000,000	264,000,000

Total...1,436,000,000 1,720,000,000 1,647,000,000

On October 10 the crop reporting board of the Bureau of Statistics of the United States Department of Agriculture reported as follows: The condition of corn October 1 was 78, as compared with 80.2 last month, 90.1 on October 1, 1906, 89.2 on October 1, 1905, and a ten-year average of 79.6. This indicates a total yield of 2,450,000,000 bushels against 2,927,000,000 in 1906. The preliminary estimate of the average yield per acre of spring

wheat is 13.1 bushels, which compares with 13.7 bushels as finally estimated in 1906, 14.7 in 1905 and a ten-year average of 14 bushels. The total indicated production of spring wheat is about 216,067,000 bushels, compared with 242,372,966 bushels as finally estimated in 1906. The production of spring and winter wheat combined is about 625,567,000 bushels, compared with 735,260,970 bushels as finally estimated a year ago. These and other preliminary estimates of yield are subject to revision when the final estimates are made in December. The average yield of oats of about 23.5 bushels per acre is indicated, as compared with 31.2 bushels finally estimated in 1906, 34 bushels in 1905 and a ten-year average of 30.1 bushels. A total yield of about 741,521,000 bushels is thus indicated, as compared with 964,904,522 bushels finally estimated in 1906. The following table shows for each of the principal oat states the preliminary estimate of total production this year in bushels with final figures of 1906 for comparison:

	1907.	1906.
Iowa	100,793,000	140,777,000
Illinois	89,498,000	107,763,500
Wisconsin	56,056,000	91,630,000
Nebraska	51,490,000	72,275,000
Minnesota	56,448,000	72,011,160
Indiana	36,683,000	50,196,000
Ohio	34,314,000	48,380,000
Michigan	30,534,000	43,747,500
S. Dakota	32,431,000	46,510,000
N. Dakota	32,340,000	40,485,608
New York	37,086,000	40,233,784
Pennsylvania	32,649,000	31,816,496
Kansas	16,380,000	24,780,000
U. S.	741,521,000	964,904,522

The following table gives the average yield, condition or production of various crops, as reported by the Bureau of Statistics of the U. S. Department of Agriculture on October 1, with comparisons. Condition reports upon crops that were harvested before October 1 refer to the condition at time of harvest. Estimates of production are upon a basis of 100 representing a full crop. All figures under September 1 represent condition at that date:

Crops.	Oct. 1, 1907.	Oct. 1, 1906.	Ten-Year Av.
Alfalfa, condition.....	90	92	...
Barley, bu. per acre.....	23.9	23.3	25.5
Barley, quality	83.1	89.1	...
Beans, production	79	86	...
Broomcorn, production ..	85	89	...
Buckwheat, condition	80.1	85	82.9
Clover seed, production ..	65	69	...
Corn, condition	78	90	79.6
Flax, condition	78	87	85
Hay, tons per acre.....	1.44	1.35	1.43
Hay, quality	90.4	89.9	...
Kaffir corn, storage prod. ..	84	93	...
Millet hay, prod.	83	87	...
Millet seed, prod.	82	89	...
Oats, bu. per acre.....	23.5	31.2	30.1
Oats, quality	77	88.2	88.2
Rice, condition (4-year av.) ..	88.7	87.2	88.6
Rye, bu. per acre.....	16.4	16.7	15.7
Rye, quality	91.6	94.1	...
Wheat, spring, bu. per acre. ..	13.1	13.7	14.0
Wheat, spring, quality.....	88.3	88.5	...

Preliminary estimates of total production of such crops as have been reported upon to the present time are given below with last year's final estimates for comparison. Estimates for 1907 are subject to revision when final results are published in December:

Crop.	1907.	1906.
Winter wheat, bu.....	409,500,000	492,888,000
Spring wheat, bu.....	216,067,000	242,374,000
Oats, bu.....	741,521,000	964,905,000
Barley, bu.....	147,192,000	178,916,000
Rye, bu.....	31,566,000	33,375,000
Hay, tons.....	60,766,000	57,146,000

The C. P. Railway contemplates building a few hundred feet of road at Mowbray, N. D., in order to cross the international boundary to take advantage of the technicalities of the Canadian law, under which wheat hauled across the line in wagons cannot be shipped in bond, but if a car is loaded and sealed on this side, it can be so shipped. The regulations on this side are different, as grain can be brought across in any quantity by the farmers and either loaded in cars or sold to the bonded elevator on this side.

Elevator assessments in Minnesota have been considerably increased by the State Board of Equalization. The greatest increase ordered was in Aitkin County, where the Board made the increase 120 per cent. The returns from that county last year placed the value of this property at \$5,640, and the returns this year made it only \$3,860. Other increases (percentages) ordered were as follows: Benton, 50; Anoka and Hubbard, 33½; Hennepin and Pine, 25; Lincoln, 20; Decker and Marshall, 15; Clay and Meeker, 10; Meeker, Norman, Otter Tail, Polk, Roseau, Wright, 10; Lesueur and Sibley, 5. The total assessments on elevators for the year for the entire state this year is about \$2,875,000, as compared with about \$3,500,000 last year.

FIRES--CASUALTIES

McCabe Bros. Elevator at Hensel, N. D., suffered a nominal damage by fire when lightning struck it early in September.

The Zorn Grain Co.'s office at Rumples, Ill., was struck by lightning and burned early in September. The engine room was damaged some.

An elevator owned by A. D. Sears was completely destroyed by fire on September 13, at Grand Island, Neb. The loss was \$1,500 above the insurance.

Gund & Co.'s Elevator at Campbell, Neb., was burned with a large quantity of grain, early in September. The loss was well protected by insurance.

Fire destroyed the Creal Springs (Ill.) Elevator and warehouse on October 3, consuming about 3,000 bushels of wheat. About one-half of the grain will be salvage.

The old Pendleton Elevator at Perry, Kan., was completely destroyed by fire the night of September 15. There was no insurance. The plant was more than 40 years old.

The upsetting of a kerosene lamp in J. E. Adams' general store at Ankenytown, Ohio, caused the loss of that building and an elevator containing 2,500 bushels of wheat on September 17.

Lightning set fire to an elevator filled with 7,000 bushels of grain belonging to Mrs. Steinborn near Coopertown, N. D. The loss was complete and was only partially covered by insurance.

Bluhm's elevator at Holden, Mo., was set on fire at midnight on September 13, it is supposed, to cover a burglary. It was filled with grain, causing a loss of \$12,000.

The Jackson Elevator on the St. Paul road at Sparta, Wis., was burned on October 5. It is believed sparks from a locomotive were responsible. It was occupied by the H. E. McEachron Co., who suffered a total loss.

The Wood-Curtis Co.'s hay and grain warehouse at Goldfield, Nev., was burned down early in September and 2,000 tons of hay were consumed. The loss approximated \$5,000, although the building was insured for \$3,500.

Fire of supposedly incendiary origin caused a total loss to the grain warehouse of the Z. H. Shanklin Grain Co., at East Columbus, Ind., on the night of October 10. The loss is estimated at \$12,000 with \$8,000 insurance.

Lightning struck the elevator and feed mill belonging to the New London Milling Co. at Sherman, S. D., and caused a destructive fire. The building with 9,000 bushels of grain and a carload of feed and flour were destroyed.

The two grain elevators belonging to the Collinsville Mill & Elevator Co. at Collinsville, Texas, were destroyed by fire early the morning of October 1, together with 5,000 bushels of corn. The loss was \$15,000 with \$3,500 insurance.

Muirhead & Black's Elevator at Fort William, Ont., was damaged to the extent of \$5,000 by fire early in September. The plant had but lately been completed. An efficient fire department confined the blaze to the first floor and basement.

Fire starting in an adjoining building the night of September 16, caused the new Baltimore (Mich.) Elevator Co.'s plant to be totally destroyed. It was well filled with grain and the loss was about \$7,000.

It is believed an incendiary set fire to the Jones Bros. elevator at Aylsworth, Ind., which was destroyed on September 20. The loss was \$16,000 with insurance for \$10,000. An elevator burned on the same site four years ago. Jones Bros. will rebuild.

The Smith-Hale Elevator at San Bernardino, Cal., collapsed the night of September 13 (Friday the thirteenth) and thousands of sacks of grain were thrown onto the ground. The building was an old one and was leased by Harvey Mourning for storing barley.

Because the Draper, Davis & Co. granary on Minpillion River, near Milford, Del., had been overloaded, one side bulged out and a stream of wheat pouring hundreds of bushels of wheat into the river was discovered. The loss was heavy, as the grain cannot be recovered.

C. F. Brown & Sons Elevator at Springfield, Ill., was partially destroyed by fire on the morning of October 3, presumably having been started by an incendiary, although some believe a spark from a locomotive may have been responsible. The main building was burned, with the exception of the studding, which was badly charred. The loss ap-

proximates \$10,000 with \$7,000 insurance. The plant was built but a few months ago and had not been fully equipped.

The warehouse belonging to the Schillings Grain Co. at Kansas City, Kan., was destroyed early the evening of September 24. A loss of about \$4,000 was suffered on the grain and hay, while the building was badly gutted. There was \$5,000 insurance. Business will be resumed at once.

Wilbur Barrett was crushed to death on September 10, under 67,000 pounds of shelled corn in the McSpadden Elevator at Kewanee, Ill. He was caught between the floor of a big bin in which he was working and the partition of another which gave way under the pressure of grain. He was 22 years old and is survived by his mother and sister. The accident was not discovered for half an hour, and then a rescuing party chopped a hole into the side of the elevator, throwing tons of grain out onto the railroad tracks but disclosing Barrett's form. It was evident he had met death instantly.

A loss of \$100,000 was suffered by Byrd Douglass & Co. of Nashville, Tenn., when fire almost destroyed their grain warehouse on September 26. The insurance is \$85,000. The origin of the fire is unknown, but it is thought to have started near the hopper scales. Grain and hay to the value of \$75,000 was destroyed, with insurance for \$60,000. The buildings, which covered the larger part of two acres, were valued at \$40,000 to \$50,000, and were insured for \$25,000. The fire was a spectacular one with 12,000 people looking on. Firemen fought the flames energetically with fifteen streams of water, causing much steam and smoke.

The old Watson Elevator on an island at the junction of Buffalo Creek and the Blackwell Canal, Buffalo, N. Y., which has stood for more than fifty years, was completely destroyed by fire the afternoon of September 21. The building has been idle for nearly seven years, although its machinery had been kept in repair and a set of new belts costing several thousand dollars had been placed in the plant but never used. The elevator property was owned by the estate of the late Mrs. Charlotte A. Watson, widow of S. V. R. Watson, who built the original Watson elevator in 1859. There were 110 bins. The capacity of the elevator was 550,000 bushels of grain. It is said the loss will total \$175,000 with but \$25,000 insurance. The building was in good condition and serviceable for many years to come.

KING ON CROP REPORT.

Frank I. King of Toledo was on the program of the National Convention to report on "Crop Reports." Not being able to be present, he delegated H. S. Grimes of the committee to make the report. Incidentally, however, Mr. King in King & Co.'s letter of September 28 says:

"Crop reports are like women—majority are fair; many are good; the bad ones do the loudest talking.

"All crop reports can be improved—they are merely guesses.

"Uniform standard in reporting should be adopted—all crop correspondents, state and national, should start with the same basis; 100 should mean the same to all. Some compare with a full crop, some with previous year, some with a five and ten year average. It causes different and unreliable results.

"State and national bureaus should co-operate. Some important grain states have excellent crop bureaus. They have experienced correspondents in every township and nearly all respond regularly. The government receives replies to only a fifth of the enquiries it sends out, so Holmes told us a few years ago. They depend more upon their traveling field agents, each of whom attempts to cover several states. They have sixteen in all to cover grain and cotton. Some are experts, but a majority are not, as the salary is not sufficient to attract them. We prefer grain dealers, millers and bankers to farmers alone as correspondents. They are generally better posted than farmers, who are prejudiced by their own crop outlook. Improve the source of information; let the states gather the reports and wire the result to the government.

"Government should give the crop guesses in bushels every month. Private statisticians figure out what the reports mean and get different results. Some figure par on wheat at seventeen and half bushels per acre. This has never been attained, the phenomenal yield last season was fifteen and half bushels. Let the government arrive at a fair basis and give the results in bushels. New York Produce Exchange statisticians have decided to compare with an average of the same month, rather than the result at harvest. It made a difference of twenty millions in figuring the corn crop last month. Progress."

BARLEY AND MALT

Receipts of barley on the Minneapolis Chamber of Commerce were 252 cars on September 30, with quotations ranging from 95 cents to \$1.05.

Using the walls and parts of the elevator still standing the American Malting Co. will rebuild its plant which recently burned at Milwaukee, Wis.

A shipment of sixteen carloads of barley was sent over the electric railway from Hamilton City to Chico, Cal., on September 20. The grain had been purchased by the Sperry Flour Co. and J. H. Jones & Co.

Papers have been issued the Wisconsin Malt and Grain Co. of Appleton, Wis., permitting an increase in the capital stock from \$40,000 to \$200,000. Charles W. Mory is president and William J. Mory is secretary.

It is said more than \$1,000,000 worth of sales in barley were recorded at Minneapolis during the week closing September 28. It is estimated the September sales were over \$4,000,000 while the receipts were \$5,000,000 bushels.

A report comes from Johnstown, Colo., to the effect that William Edwards, a farmer living near there, has harvested a crop of forty-seven acres of barley which yielded 143 bushels per acre. The 6,721 bushels sold for \$6,000. The crop was raised for malt.

At the annual meeting of the stockholders of the Davenport Malt and Grain Co., Davenport, Ia., the old directors were re-elected for the coming year: Henry Klindt, H. J. Witt, Henry Eremer, A. R. Stoltenberg, Herman Wulff, P. Federson, Jr., and John Stockdale.

The Pacific Malting Co. of Seattle, Wash., have already purchased the ground for its new malting plant, which, it is declared, will be the largest of its kind west of the Mississippi. It is stated Messrs. Edmund Rice, Leopold Schmidt and their associates will expend about \$300,000 for buildings and equipment.

The Ontario official report says: "Correspondents described barley as the best cereal crop of the year. The cold, raw spring was against it at first, but it improved with the season, and notwithstanding the summer drought it will give a yield over the average, and the grain will be exceptionally free from discoloration. Some barley yet remained to be cut, but the bulk of the crop was got in during most favorable weather. With the exception of attacks by grasshoppers in the Northern Districts, and occasional complaints of wireworm, but little harm from insects was reported."

Complaint has been made to the public service commission by manufacturers of malt at Oswego, N. Y., that they have been unjustly discriminated against in favor of larger malting centers like Buffalo. It is said that for several years the Oswego concern have been working on a differential rate of one cent per hundred pounds over Buffalo to New York and other points. The complaint states that this does not allow competition with Buffalo, which is one-third (150 miles) of the distance further from New York than Oswego. The petitioners want Buffalo's differential rate increased 3½ cents.

It appears that the barley trade has ignored the Government figures this year. The Government figures indicate a crop of 147,000,000 bushels, while the trade estimates range between 100,000,000 and 104,000,000 bushels. Julian Kune, who has been compiling figures on the barley crop for the trade for over forty years, puts the total yield at 104,000,000 bushels as against 134,000,000 bushels last year. Barley men are a unit in pronouncing the crop of Wisconsin, the leading barley state of the Union, a very distinct failure this year. Secretary Robinson of South Dakota estimates the yield of barley in that state at 80,438,000 bushels. This is 4,000,000 bushels less than last year.

BARLEY IN THE NETHERLANDS.

"There were imported into the Netherlands in 1906 197,318 tons of barley, as against 191,377 tons in 1905 and 220,104 tons in 1904," says Consul Frank D. Hill in a late report. "California barley coming from Antwerp is called Belgian barley, and the breweries use a small percentage of it for malting purposes. For the finer qualities of beer Hungarian barley is imported; for second quality, English and Danish. American barley is imported for feeding purposes, but it is inferior to that brought from South Russia and the Danube, and the feeders do not like it. The average price of fair average quality of South European barley is

\$44.22 to \$48.24 per 4,400 pounds. Malting barley sells for \$68.34 to \$90.45 per 4,400 pounds, according to quality. The price of inland two-rowed or summer barley is about \$2.51 per 154 pounds; of inland six-rowed, \$1.81 per 143 pounds. The American product fit to be used by barley cleaners is not judged inferior to other barley. In this case it is only a question of price."

IMPORTS AND EXPORTS OF BARLEY AND MALT.

Imports—	Bushels.	Value.
August, 1906	175	\$ 134
August, 1907	14	13
Eight months ending Aug., 1906	2,515	1,540
Eight months ending Aug., 1907	2,791	1,509
Exports—		
August, 1906	516,198	271,749
August, 1907	245,617	159,094
Eight months ending Aug., '06	9,230,766	4,512,073
Eight months ending Aug., '07	2,829,841	1,689,975

BARLEY MALT.

Exports—	Bushels.	Value.
August, 1906	41,904	28,032
August, 1907	30,817	25,322
Eight months, ending Aug., 1906	539,214	367,142
Eight months, ending Aug., 1907	292,943	201,637

SWEDISH BARLEY GROWS WELL.

Under the direction of the Wisconsin Department of Agriculture a number of interesting experiments have been made during the summer on the Pabst farm in Wauwatosa with Swedish barley. Of seven varieties planted there none has averaged less than double the crop usually raised with the common varieties, and the only drawback shown was an inclination to become top-heavy, the ears being apparently too heavy for the strength of the stalk. It is believed by Charles Zaumeyer, in charge of experiments, that this may be overcome by culture. We may have more to say on this subject in later issues.

THE BARLEY CENTER.

The high prices which the barley crop is commanding in the local market has served to draw attention to Minneapolis as a primary barley market. The position of Minneapolis could not be better as a marketing point of the barley crop of the United States. That it will go on increasing its hold upon the grain does not brook any counter-argument. As the center of its largest production this city falls natural heir to the primary shipments.

With the exception of California, which for all purposes of competition is out of the running, Minnesota is the largest producer of barley in this country. Not only does this state lead in production, but the immediate states that cluster about it follow close behind. On last year's final crop, which, by the way, was the largest ever gathered in this country, Minnesota raised about 17 per cent of the total production. South Dakota came second with about 12.8 per cent, North Dakota with 8.9 per cent, Iowa with 8.7 per cent and Wisconsin with 11.9 per cent. These five states, it will be seen, raised 60 per cent of the total barley crop of the United States, or 108,401,220 bushels. With the possible exception of Wisconsin, this is tributary to this city, or 48 per cent of the crop. What is more to the point is that the production of this grain is to be a growing factor; it marks the more extensive diversity of farming operations in the Northwest as a factor of considerable importance to the commercial as well as farming interests.

It might seem that the extraordinary prices that are being paid for barley this season was entirely due to a short crop. Compared with last year the production will be short, but last year was a bumper harvest. So far the promise, while showing a condition 10.8 points below the ten-year average, still promises a crop much larger than previous years. The demand, however, is undoubtedly greater.—Market Record.

Wichita has become the broom-corn center of the West, nearly all Chicago and Eastern buyers having representatives there at this time.

Mistakes will happen in the best of families, also in "print shops." We consider ourselves a "pretty good family" and hence we (or our printer) occasionally make mistakes. Yesterday's Red Letter contained a very laughable error, as it stated that sample of Prime seed would be sent to shippers for the asking, and by showing said sample of Prime to the farmer, shippers would be able to convince him that it wasn't Prime seed. It should have said that by showing the sample of Prime to the farmer, shippers might be able to convince the farmer quicker that his seed (the farmer's) wasn't Prime. Anyhow, we guess our readers knew what we meant, but we believe this explanation is due.—Zahm's Red Letter of September 26.

THE CO-OPERATIVES

A. H. Froshaug has leased the Farmers' Elevator at Twin Valley, Minn.

The Farmers' Elevator at Aberdeen, S. D., has been leased to Patrick Daley.

The Farmers' Elevator Co. of Cropsey, Ill., earned 20 per cent on the last crop handled.

The American Society of Equity will hold a national convention at Indianapolis on October 22-29.

The Farmers' Elevator at Sterling, Kan., has been sold to J. W. Melvin, who is now in possession.

The independent grain elevator companies of North Dakota have organized an insurance company that is known as the Independent Grain Shippers' Mutual Fire Insurance Co., and most of the independent elevators in the state are taking out policies.

The Bryant Farmers' Elevator Co. of Bryant, S. D., at the annual meeting declared a dividend of \$7 per share (28 per cent). Later, by the sale of the shares of two stockholders to William Marshal, the latter became possessed of a majority of the stock and has taken possession of the property.

The Farmers' Elevator Co. at Gillett Grove, Iowa, recently transferred all its assets to C. F. Johns, a former director, to enable it to borrow money to carry on its business. The company has suffered some loss, but it is understood by the bankers of the county that they have "fixed up matters satisfactorily." At any rate, the company is buying grain as usual. The company has been running about fifteen months.

Recently the bondsmen of M. E. Billings of the Farmers' Elevator Co. of Pine Island, Minn., were sued by the company, which obtained a judgment of \$1,400, apparently the amount of their principals' shortage. The bondsmen in turn have now brought suit against the officers of the company, alleging gross carelessness on the part of the latter in accepting reports at intervals other than as provided by the by-laws of the company.

The Monticello Grain Co., Monticello, Ill., had an annual meeting on September 21. A band was employed, picnic dinner was served in the park, and Representative Adkins and Spellbinder Stickney orated on "Co-operation." The report showed that the company handled 772,448 bushels of grain, 4,295 tons of coal and 1,455 bushels of seed and made a net profit on the whole of \$4,327.74. No dividend was declared, the amount being passed to sinking fund.

The case of Funk vs. Gowrie Farmers' Elevator Co. was heard a few days ago at Fort Dodge, Iowa. Funk had come into possession by purchase of some shares of the company's stock, bought from Fogle, who had left Iowa and gone west. Funk asked to see the books of the company, and Manager Messerole refused him permission. He then sued. The question before the court was whether Funk had purchased in good faith or not, and that question, with its relations to Funk's demand, is still in the hands of the court for advisement.

A telegram of September 18 from Spokane says that the farmers in that part of Washington have organized a farmers' union for the purpose of handling their product and establishing independent warehouses to combat the Oregon Railroad & Navigation Co., operated in Washington and Oregon as part of the Harriman system. James Walters, a bonanza rancher of Garfield, is at the head of the organization. He explains that "Some of the members of our organization may be inclined to socialism, but I have not yet learned of one who is willing to divide his earnings with the Harriman people for hauling his grain to the seaboard."

The "chief men" of the Farmers' Elevator & Co-operative Union of Kansas are again passing the lie back and forth like a shuttle. In a circular the president says he learns "that he was allowed \$47.50 for each local organized by him or under his direction." This is characterized as a "malicious falsehood." Incidentally, it appears that the inside arrangement is, says Mr. Gaines, "that the organizers get \$20 for each local, and under the arrangement the board had with me, the most I got for the first fifteen members was \$18.50. If I got twenty-five members I was to get \$9 more, but in no case did I ever get that amount, and in only two or three cases did I ever exceed the fifteen members. As I call to mind now the work, eighteen members in one instance were obtained, and seventeen in another. Under the arrangement, up to twenty-five I was to receive 90 cents each after the first fifteen." It also appears that the Topeka newspaper organ is paid 60 cents for each member in the way of a subscription. It also appears that

there are various little "grafts" floating around in the most of these co-operative movements, which dispells the mystery of the abnormal interest some men have in them.

The American Society of Equity Producers' and Consumers' Exchange has been organized under a charter obtained in New Jersey as a holding company empowered to charter local exchanges to do business in any part of America. Business is done under the charter of the parent organization, but each local exchange is in complete charge of its own affairs. The price of the capital common stock is \$1 per share, preferred \$5 per share, and one share of the common stock entitles the holder to one vote, and no man will have more than one vote, no matter how many shares he may hold. The only difference will be that the earning capacity of ten or more shares will be greater than one share. The price of all necessary supplies, such as applications for stock and charter fee, is \$25. Great pickup?

The American Society of Equity, at a meeting held at Minneapolis on September 26, resolved that "the present system of different grading of wheat at various markets should be done away with and a uniform system of weighing and grading under federal supervision adopted." The convention also went on record as opposed to the Shaw ruling under the drawback law, by which Canadian wheat to be mixed with our own wheat before grinding can be imported free of duty. Steps are to be taken to bring these two matters before Congress. The society was also informed by Dr. John T. Tuohy of St. Louis, secretary of the Consumers' International Union and Co-operative Exchange, a New Jersey million-dollar affair, that this organization, through exchanges affiliated with it, proposes to become the agent all over the country for the distribution of farm products and that it would build elevators and such.

RESPONSIBILITY FOR SHORT-AGE.

If the shipper has shipping scales and knows positively the quantity of grain loaded into the car, he can hold the railroad company responsible for the delivery of the same. Defective coeprage or loading of unsuitable cars does not relieve the railroad company of its responsibility, as the following extract from a legal opinion given to Secretary Wells of Iowa by Bailey & Stipp, the Iowa Association's attorneys, shows:

"It is the duty of a railway company to furnish cars suitable for the transportation of the particular commodity which is to be shipped, and the acceptance by a shipper of an unsuitable car does not excuse the railway company for its failure to furnish a suitable one, unless an express contract has been entered into that the shipper has released the railway company from its duty to furnish a suitable car.

"It has been held that a statement in a bill of lading that the shipper accepts a car as suitable does not relieve the railway company from its liability for loss occurring because the car was not a suitable one.

"It has been held by the Supreme Court of Iowa—in a case in which a shipper of hogs loaded the car without the assistance or direction of the railway company's agent and overloaded the car—that the railway company could not escape liability for damage on the ground that the car was overloaded. The court used the following language: 'It is not claimed that there was any deceit or misrepresentation by plaintiff as to the condition of the car or to its loading. Defendant's agent, who made the contract for it, went to the car after the loading was done and closed and sealed it. There was nothing to prevent him from seeing the manner in which it was loaded. As defendant received the property under these circumstances and undertook to transport it to its destination, it should be held to have assumed all the liabilities of a common carrier with reference to it.'

"It is our opinion that the principle of law laid down in the foregoing quotation would apply to the shipment of grain under consideration and that the railroad companies which hauled the shipment, or one of them, would be liable for the grain lost."

CANADIAN EXPORT INSPECTION.

The Canadian Grain Commission has appointed William Crawford as its representative and inspector of export grain going in bond through the elevators at Superior, Wis. The Canadians think they don't like American inspectors, so they send Mr. Crawford to revise their own inspection. Perhaps next they will send someone to sit up nights with the stuff while in transit under bond.

Send us the grain news from your neighborhood.

SEEDS

It is said England's crop of red clover will be smaller than last year.

Recently the Guernsey Seed Co. of Yankton, S. D., rented the new W. T. Van Osdel building for an office and storage warehouse.

The Winona Seed Co. at Winona, Minn., is about to remodel its plant into a modern seed house. Up-to-date machinery for cleaning and sorting will be installed.

A Scotland seed dealer writes C. A. King & Co. of Toledo, Ohio, as follows: "The fine weather we are now having has without doubt improved the prospects of red clover in England."

Argentina had a linseed area of 2,950,000 acres and a yield of 825,000 tons in 1906. According to Beerbohm this is under the usual yield. This year's crop should reach 950,000 tons.

C. A. King & Co. of Toledo, Ohio, said on October 1: "Our reports to-day show a fair crop of clover seed in Michigan, and a very short one in Ohio. Many of the correspondents speak of quality."

The Springfield Seed Co. of Springfield, Mo., write that it will not build its new elevator until some time in November. Plans are now being prepared. The company recently increased its capital to \$100,000.

The Sioux City Seed & Nursery Co. of Sioux City, Iowa, has placed an order with the Richardson Scale Company of New York for two scales, one to weigh 1,000 bushels of grain per hour, and the other a 3-bushel bagging scale.

Williams & Wilson are building a new three-story elevator at Ottawa, Kan., which will be an addition to their present elevator. It will be used as a seed elevator. The building is of frame construction and measures 20x60 feet.

Bailey & Sons, wholesale dealers in seeds, grain and bags, have incorporated at Salt Lake City, Utah, with a capital stock of \$100,000. The firm has been in existence since 1866. J. W. Bailey is president, P. E. Banker is vice-president and S. M. Bailey secretary and treasurer.

Extensive improvements have been made on the seed houses of G. D. Sutton at Bloomington, Ill., which have a capacity of 25,000 bushels of seed corn. It is declared that the plant represents one of the largest seed corn establishments in the world and is very complete in every detail. Much exporting is done by Mr. Sutton, who established the business in 1900.

The bean crop this year will not prove up to normal if advices received by the Orange Judd Farmer are any criterion. Similar conditions seem to appear in New York and Michigan, although the quality is declared to be good, both east and west. Correspondents in Oakland County, Michigan, say prospects are for 70 per cent of an average yield of beans, dry weather shortening the crop. In Washtenaw County a normal yield of good quality is reported."

F. D. Coburn, Secretary of Agriculture for Kansas, is conducting a campaign of education against poor alfalfa seed. In an address before the Shawnee Alfalfa Club, on alfalfa, he cited several instances wherein impure seed was put on the market but discovered in different analyses. In one sample it was discovered there was 88 per cent of impurities while it showed 34 distinct kinds of foreign seed, which constituted 31.5 per cent of the whole. Twenty-six lots tested by Professor Roberts of Washington, contained an average of 44.1 per cent of impurities, including eight different kinds of foreign seeds amounting to 4.5 per cent, trash and dirt 4 per cent, and 35.8 per cent of what was really alfalfa seed was not germinable.

GERMANY'S ALFALFA SEEDS UNPOPULAR

In a report just issued by O. M. Ball, Botanist of Texas Agricultural and Mechanical College, it is interesting to note his remarks regarding imported alfalfa seeds. In part he says:

"The farmer should be especially vigilant in purchasing imported seeds, especially those from Germany. Owing, perhaps, to the fact that German seed can be bought more cheaply than the American-grown, a very large proportion of the seed sold. In Texas during the past year has been imported from this country. So far as examined by the Agricultural and Mechanical College these seeds are in every case distinctly inferior to the best American seeds, both as to purity and as to vitality. Indeed, very many samples of German seed have been found to contain large quantities

of noxious weed seeds, notably those of dodder. Some samples have shown as high as 350 seeds of this most injurious weed to the pound. This means that from 5,000 to 6,000 of the seeds will be sown to the acre, which would inevitably mean the total destruction of the crop to the farmer, since it would be impossible to eradicate such a lot of dodder except by plowing up the entire field and substituting some non-leguminous crop."

Continuing, the botanist speaks of the danger of rib-grass or buckhorn, which is often found in imported seeds and is a perennial growing close to the ground and producing enormous quantities of seed. Johnson grass is another weed he mentions as a detriment to alfalfa growth. A bulletin on this subject will soon be issued by Mr. Ball.

J. F. Zahm & Co. of Toledo, Ohio, say under date of October 5, in regard to clover seed: "If the crop in the different sections is no larger than reported now it will surely make a very short crop, but as a rule, short crops have long tails, and we generally get a little more than expected. There is usually enough to go round, but figuring on the statistics as they now exist it surely indicates an exceptionally small yield this year. Toledo received last season up to date over 6,000 bags as compared with 19,000 the previous year. These figures look very large as compared with receipts this year. * * * One thing not to be overlooked is the quality of the receipts up to date. The color has been fine in most of the lots, and this seed has sold at good prices because it could be made into prime."

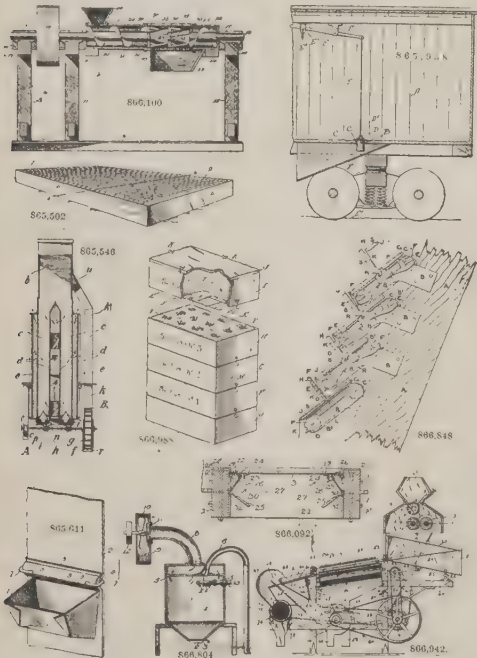
LATE PATENTS

Issued on September 10, 1907.

Apparatus for Testing Seeds.—William H. Kissel, Avoca, Iowa. Filed December 15, 1905. No. 865,502. See cut.

Drying Shaft for Corn.—Diedrich Uhlhorn, Jr., Gravenbroich, Germany. Filed April 9, 1907. No. 865,546. See cut.

Conveyor.—George C. Horst, Columbus, Ohio, assignor to Joseph A. Jeffrey, Columbus, Ohio. Filed January 8, 1906. No. 865,591.



Elevator Bucket.—Ira O. Robbins, Millville, Pa., assignor of one-half to Ellis Greenly, Millville, Pa. Filed May 3, 1907. No. 865,611. See cut.

Grain Car.—Carmen Rago, Chicago, Ill. Filed January 26, 1907. No. 865,938. See cut.

Issued on September 17, 1907.

Grain Door for Railway Cars.—James Van Slyke, Shellrock, Ill. Filed April 12, 1906. No. 866,092. See cut.

Grain and Seed Huller.—John B. Watkins, St. Louis, Mo. Filed October 4, 1906. No. 866,100. See cut.

Issued on September 24, 1907.

Pneumatic Conveyor.—Samuel Olson, Chicago, Ill. Filed June 27, 1907. No. 866,804. See cut.

Apparatus for Cleaning and Separating Seeds and the Like.—Frederick M. Dossor, Doncaster, England. Filed June 7, 1907. No. 866,848. See cut.

Seed Cleaning Mechanism.—Robert A. Little, Buffalo, N. Y., assignor of one-fifth to Elmer T. Anson and one-fifth to Charles L. Anson, Lockport, N. Y., and one-fifth to Emma Tait and one-fifth to Charles F. Kraft, Buffalo, N. Y. Filed May 11, 1905. Renewed May 16, 1907. No. 866,942. See cut.

Seed Corn Tester.—Clark E. Twamly, Alexandria, S. D. Filed February 8, 1907. No. 868,988. See cut.

Grain Door for Box Cars.—Peter S. Larson and Randolph C. Duce, Sharon, N. D. Filed May 17, 1906. No. 867,058. See cut.

In Illinois "the official acreage of the crops, as reported by the township assessors, is used by the State Board of Agriculture as a basis for applying the estimates of crop correspondents as to the growing condition or yield of the harvested crop. In reporting condition, 100 is used by correspondents to represent a fair, seasonable, average vitality or growth, unaffected by storms, insects or contingencies; an increase of one-tenth, or 10 per cent, is recorded 110; a decrease of 5 per cent is marked 95, etc. The correspondents of the Board are, as a rule, experienced farmers, who have made the study of the condition and yield of crops their life work—conservative men who realize the necessity for the work done by the Board, and assist it by their gratuitous reports."

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[Copy for notices under this head should reach us by the 12th of the month to insure insertion in the issue for that month.]

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FOR SALE.

Elevators in North Dakota, Minnesota and South Dakota. If interested, write

W. J. HARTZELL, Chamber of Commerce, Minneapolis, Minn.

FOR SALE.

Elevators in Illinois and Indiana that handle from 150,000 bushels to 300,000 bushels annually. Good locations. Prices very reasonable. Address JAMES M. MAGUIRE, Campus, Ill.

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A 25,000-bushel elevator; new; equipped with grain dump and ear-corn dump; electric power. Located in the heart of corn belt; Illinois city of 23,000; best of shipping facilities. Address

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FOR SALE, FLOUR MILL AND ELEVATOR.

Situated in eastern Michigan, in fine hay, grain and bean section. Mill is 100 barrels' capacity, Allis System. Lots of feed grinding and good custom trade. Elevator has 35,000 to 40,000 bushels' capacity, with all necessary machinery. This is a bargain for someone. Address

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Gasoline engines for sale, 5, 7, 10 and 20 horsepower.

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FOR SALE.

One 25-horsepower Fairbanks-Morse Gasoline Engine; fine condition. Address or inquire, 1370 W. LAKE ST., Chicago, Ill.

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One No. 37 Howes Oat Clipper, good as new. Address THE ADY & CROWE MERCANTILE CO., Denver, Colo.

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One No. 9 Monitor Oat Clipper.

One Fairbanks Hopper Scale, capacity 60,000 pounds.

ROSENBAUM BROS., 77 Board of Trade, Chicago, Ill.

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CRABBS, REYNOLDS, TAYLOR CO., Crawfordsville, Ind.

FOR SALE.

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A. H. McDONALD, 38 W. Randolph St., Chicago.

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T. S. WILSON, Spickard, Mo.

FOR SALE.

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A. S. GARMAN & CO., Akron, Ohio.

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Miscellaneous Notices

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WANTED.

Position as manager of elevator or line of elevators; 18 years' experience; keep double-entry books; best of reference. Address

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WANTED.

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29 Chamber of Commerce

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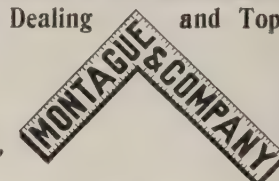
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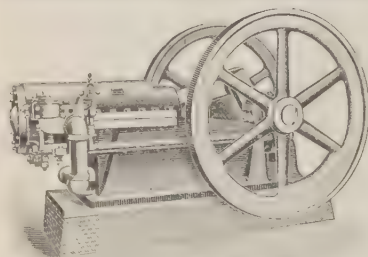
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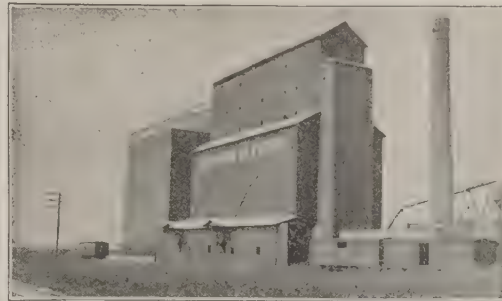
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Successors to HONSTAIN BROS., Contractors and Builders of
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Exchange Elevator built by G. T. Honstain, Minneapolis.
Fireproof storage capacity 250,000 bushels.
Working house capacity 150,000 bushels.

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Four hundred country elevators from 10,000 to 50,000.



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**Grain Elevators
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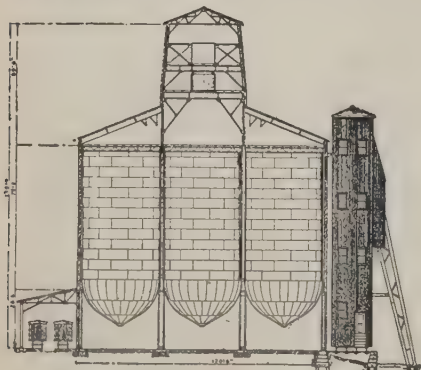
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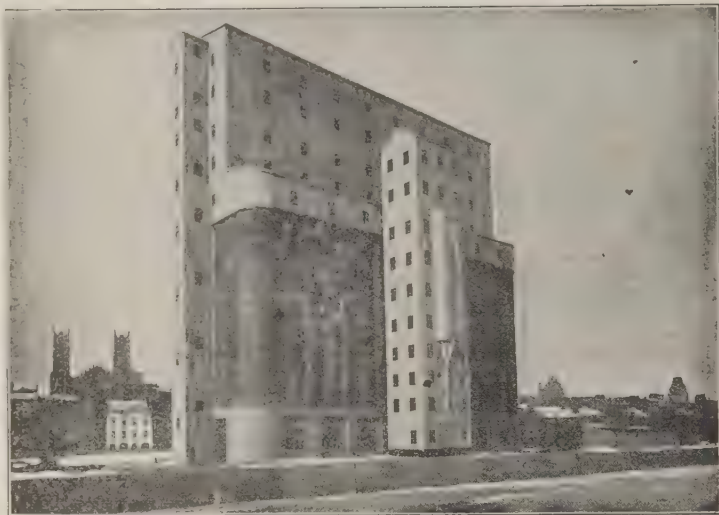
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Land your balance on the "NET GAIN" side of the ledger by covering building and contents through the

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Special rates,
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Wire your orders at our expense, and you will be safe.

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Wrote...\$5,348,463.75 insurance last year
Paid\$110,724.14 in losses last year
Added\$24,230.30 to surplus last year
Assessed only 45% of basis rates last year

If you want the best of insurance at the lowest cost, write to us.

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Insures Mills, Elevators and Warehouses at actual cost.

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Our Deposit Notes represent but one annual premium.

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No conflagration hazard.

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This device is the only Automatic dump controller on the market that requires neither hand nor power to operate.

It causes the dump to settle down easily without the least jar or jerk and prevents accident to wagon or team.

This device is a small cylinder filled with cold tested oil in which travels a piston which is attached to the front end of the dump. The motion of the dump is controlled by the forcing of this oil through a regulating valve, which can be adjusted to suit operator.

Equip your dumps with them and avoid accident in the handling of the coming crops.

Shipped on trial to responsible parties.

Write us for particulars and price.

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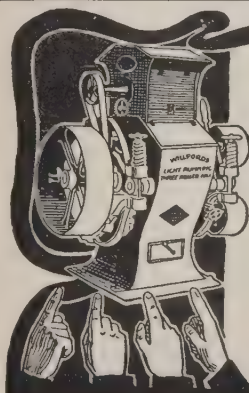
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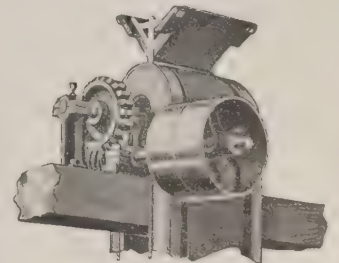
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- (1) It is Easy to Handle.
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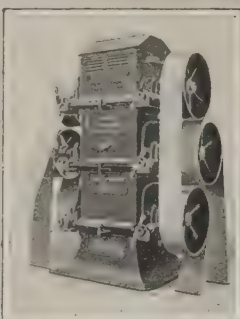
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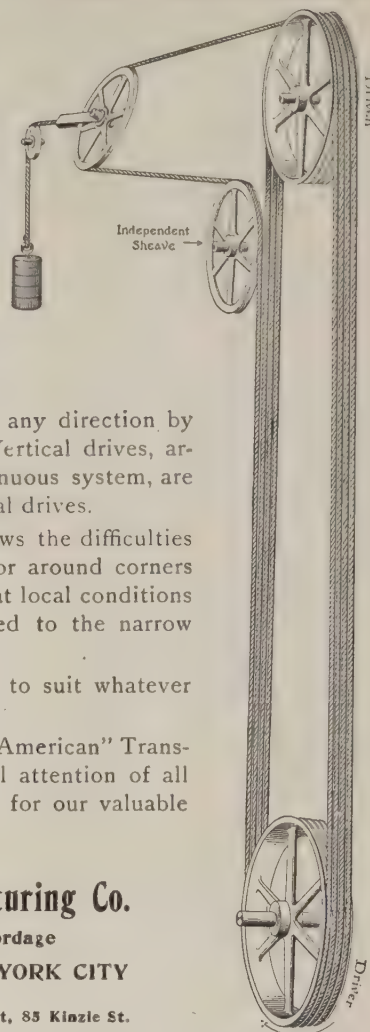
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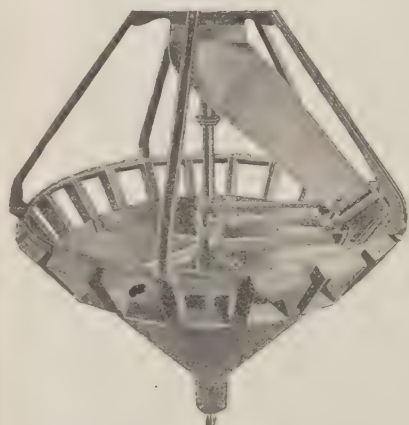
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a big help because it fully covers the business of milling wheat and other cereals.

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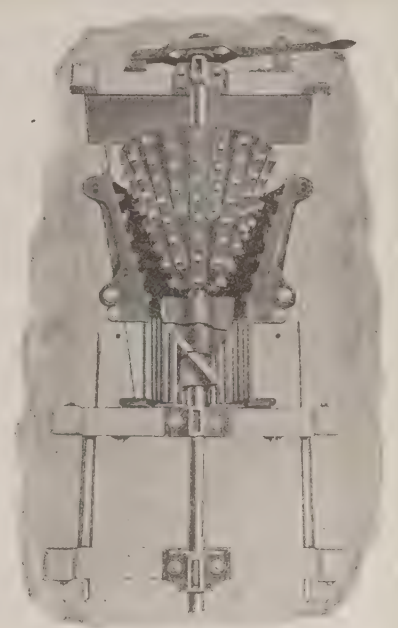
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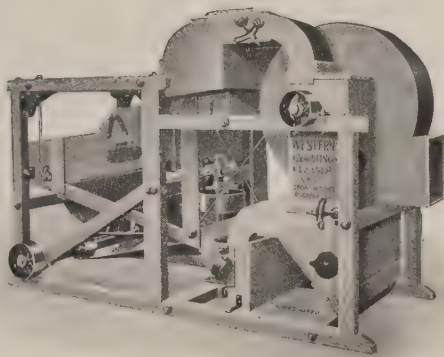
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Write any or all of above users for their verdict. I am willing to abide by what they will tell you.

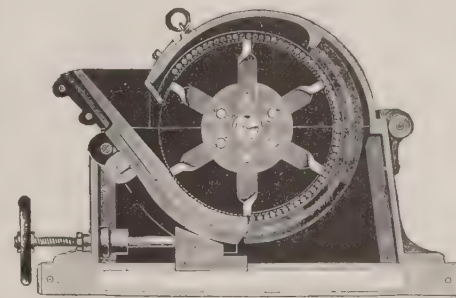
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"FEED GRINDER"

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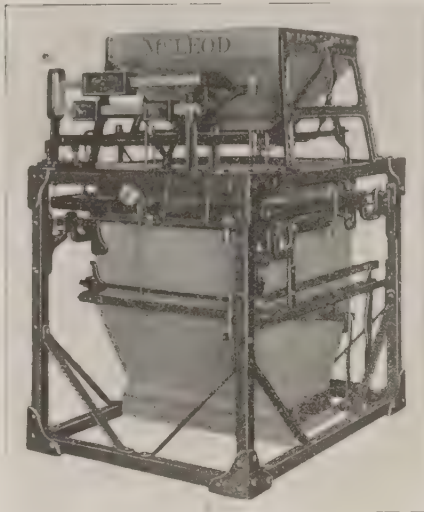
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The scale that weighs



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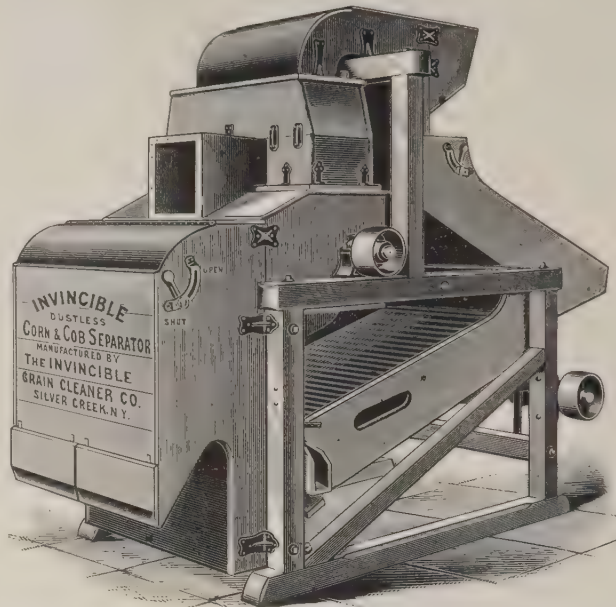
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CLEAN YOUR CORN

This Separator takes out cobs, silks and all foreign matter and gives a high grade of corn.

It is the most popular corn and cob separator on the market, the result of its extremely nice work. Order now.

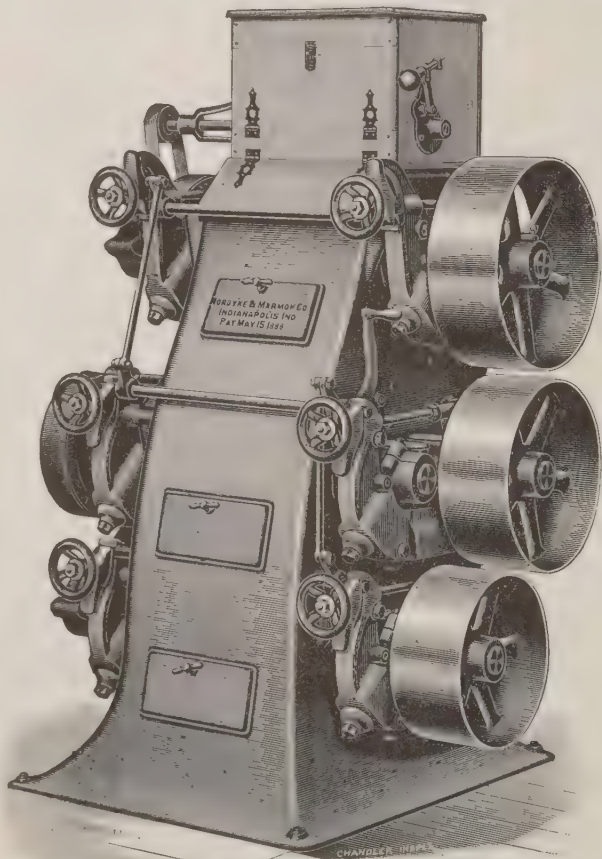


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Established 1851

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The Prinz Automatic Receiving Separator

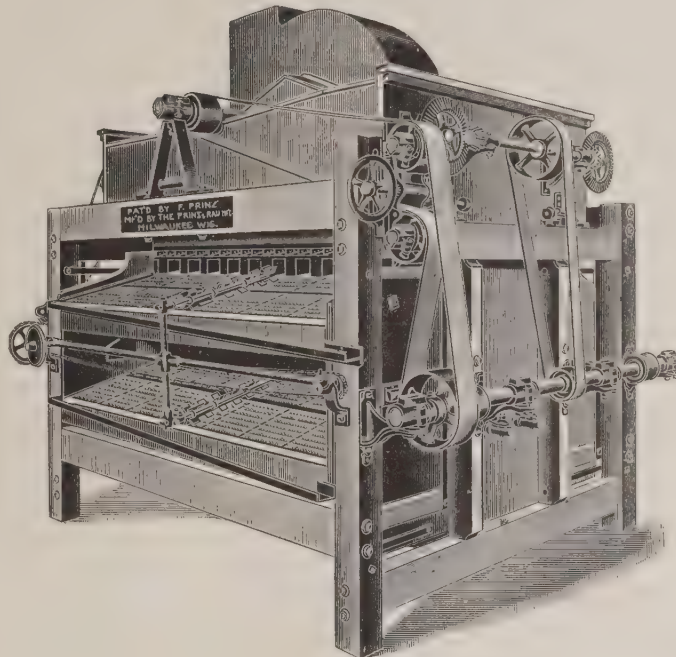
In a Class by Itself

IN construction and operation this machine has no rival. It is the perfected separator for elevators.

It was the first machine equipped with short-travel sieves and patented automatic sieve cleaner.

The sieves are cleaned automatically, and expensive and unsatisfactory hand-cleaning is entirely dispensed with.

The sieves are made of sheet steel and have long life.



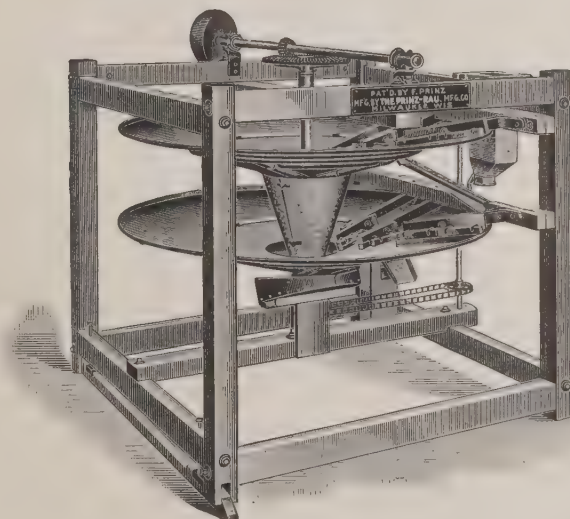
FOR its capacity it requires less power and space than any similar machine.

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We will be pleased to send you full particulars of construction and operation if you will say the word.

The Prinz Mustard Seed Separator

WHERE wild mustard seed is prevalent this machine is a great boon to grain dealers. It will separate mustard seed from wild buckwheat and grass seed and save the mustard seed in merchantable condition.



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The Genuine Salem Bucket is light, serviceable and correctly shaped. Enters the material easily, carries maximum load and empties clean. Different gauges of steel suitable for handling any material. Made only by The W. J. Clark Co., Salem, Ohio.

Imitations are no cheaper. Watch for the Clark Stamp. **We are Sole Agents.** Large stock. Prompt shipments. Catalogue "S."

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Unquestionably our Helicoid (continuous flight conveyor) is the best screw conveyor made. We are the originators of and fully equipped to make sectional flight conveyor also, but advise customers to use Helicoid, because it is better balanced and more durable than any other screw conveyor, and renders more satisfactory service.

Helicoid conveyor is well adapted to the handling of grain and all milling products; cotton seed and cotton seed products, fertilizers, sugar, starch, rice, coal, ashes, cement, concrete, phosphate, sawdust, and many other articles.

Helicoid costs no more than other conveyors.

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Used by the leading brewers for WEIGHING IN GRAIN and for keeping an exact record of THE MALT that passes to the MASH TUN.

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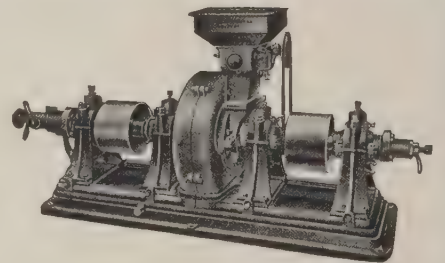
A COMPLETE LIST of Grain Elevators and Grain Storage Warehouses

IN CHICAGO AND COOK COUNTY

with notes of their construction, terminal facilities, etc., for use of railroads, commission men, insurance companies and others. Compiled and published by the "American Elevator and Grain Trade." Price 25 cents.

For Sale by MITCHELL BROS. CO., 315 Dearborn St., Chicago, Ill.

**Now Is
The Time
To Buy**



Monarch Attrition Mills

You are neglecting an opportunity to add to the profits of your business by failing to install a good feed grinder. There are hundreds of Monarchs in Elevators all over the country and every one is a money maker for its owner. Ground feed is constantly growing in demand, and if you are not getting your share of the business you are missing some "easy money." We want you to investigate the merits of the Monarch, the best feed grinder made. Send for

OUR CATALOGUE

It tells why the Monarch has phosphor-bronze interchangeable bearings; cable-chain oilers; double movable base; safety spring; quick release; relief spring; special adjustable endless belt drives; hammered steel shafting; ball bearings and other improvements not found in competing mills. This catalogue is free; write for it.

Mention amount and kind of power you expect to use for operating a mill

SPROUT, WALDRON & CO.

Northwestern Branch:
7 Corn Exchange, MINNEAPOLIS, MINN.
John Williams Taylor, Southwestern Agent,
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Box 320, Muncy, Pa.



Corn Shellers and Cleaners

We make a complete line of Corn Shellers and Cleaners.

The **Victor Sheller** has been for years recognized as the standard Sheller of the country.

It is now made adjustable and can be adjusted for different kinds of work. This feature, together with its well known qualities of strength, durability and efficiency, makes it a very profitable machine to operate.

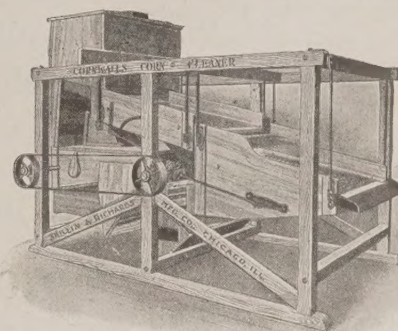
The **Cornwall Corn Cleaner** was the first of the shaker cleaners and has always kept the lead over this class of cleaners. Its patent finger sieve enables it to clean the corn better and do the work faster with less power than any other cleaner.

We also make the **Little Victor Sheller and Cleaner** and the **Rolling Screen Cleaner**.

Our line of Feed Mills and Separators is unsurpassed. Send for latest circulars.

Barnard & Leas Mfg. Co.

Builders of Elevator Machinery and Supplies
MOLINE, ILL.



ALFALFA

The Williams Pat. Alfalfa Hay

CUTTER and GRINDER

WE BUILD COMPLETE PLANTS—Built 15 Plants Since 1905

Write For Bulletin No. 6

THE WILLIAMS PAT. CRUSHER & PULVERIZER CO.

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"The 1905 Cyclone is from 39% to 27% more efficient than the old Cyclone, considering both power consumed and quantity of air discharged."

The Mechanical Engineering Dept.

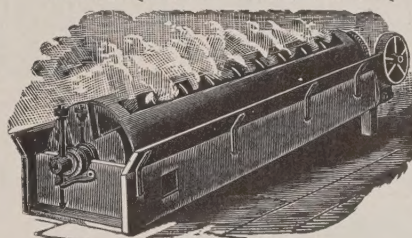
UNIVERSITY OF MICHIGAN

"THE NEW CYCLONE 1905"

Manufactured exclusively by

THE KNICKERBOCKER CO.
JACKSON, MICHIGAN

SEE THAT YOUR
CONTRACTS CALL FOR



THE
**CUTLER
STEAM
DRYER**

SOLD BY ALL MILL FURNISHERS

Not an Experiment. In successful use 25 years drying

CORN MEAL AND HOMINY,
BREWERS' GRITS AND MEAL,
BUCKWHEAT, RICE AND
ALL CEREAL PRODUCTS.

ALSO SAND, COAL DUST, GRAPHITE, CLAY AND ORES

Automatic in operation, requiring no attention. Double the capacity of any other Dryer sold for same price.

THE CUTLER CO., North Wilbraham, Mass.
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GILSON MFG. CO., 408 Park St. Fort Washington, Wis.



**TRIUMPH
POWER
CORN SHELLER
CO. BARTLETT
& CO.
CLEVELAND O.**



BE SURE

To equip your Grain Elevator Building with our light self-lifting passenger lifts. Strong and substantially made.

INEXPENSIVE, QUICK

No more work climbing stairs. Cost no more than stairways and take up one-quarter the room.

Correspondence invited.

SIDNEY ELEVATOR MFG. CO.
Sole Manufacturers SIDNEY, OHIO

Soft Corn and Car Shortage

Will make your life a burden this winter.

Get a HESS DRIER and save your grain. You'll make money, too, with it, besides the losses you can prevent.

Most of the big grain dealers have large HESS DRIERS. The smaller houses may be amply protected with our carload-a-day machine. Price \$600.00 and \$900.00 f. o. b. Chicago.

Ask us about them. Free booklet.

HESS WARMING AND VENTILATING CO.

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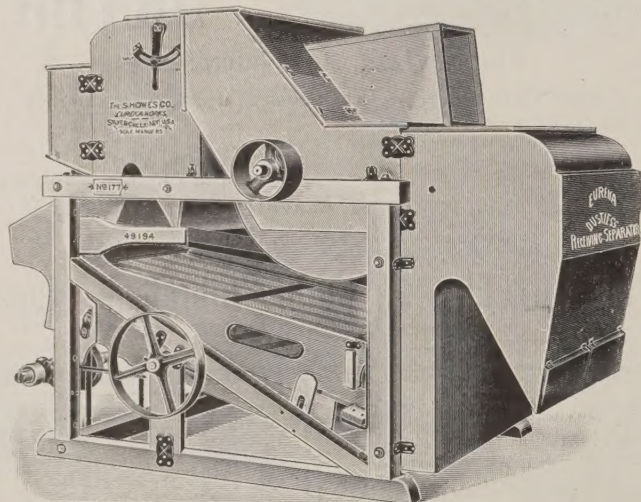


"EUREKA" CLEANERS

represent the highest grade of machinery built for cleaning grain, embodying all the best methods and the latest improvements.



Self-Oiling Bearings used exclusively
Substantial Construction Great Sieve Separations
Efficient Air Separations Satisfaction Guaranteed



THE S. HOWES COMPANY

"Eureka" Works, SILVER CREEK, N. Y.

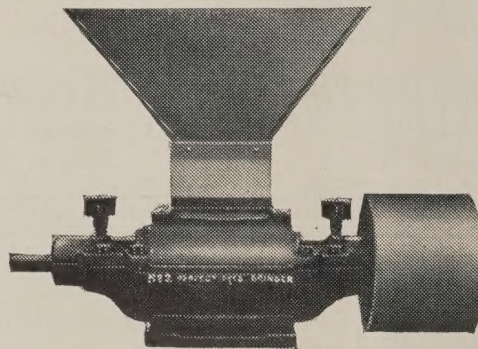
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W. E. SHERER, 412 S. Third St., Minneapolis, Minn.
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The Perfect Feed Grinder

This Mill has Double the Grinding Capacity, while the Price is about One-Half that of any Mill Made.



GUARANTEED AS FOLLOWS:

No. 1.—15 to 25 Bushels per hour with 1½ to 3 H. P.
No. 2.—25 to 50 Bushels per hour with 4 to 6 H. P.
No. 3.—60 to 75 Bushels per hour with 6 to 10 H. P.

SPEED:

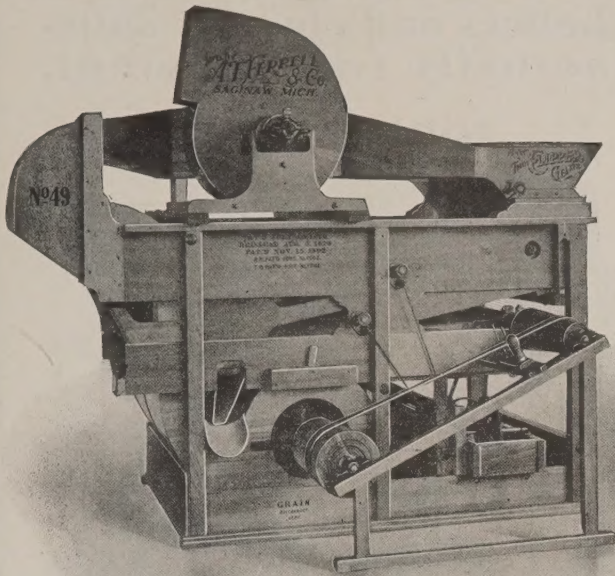
About 1,500 Revolutions per Minute.

You Should Handle It. Write us.

Macgowan & Finigan Foundry & Machine Co.

ST. LOUIS, MISSOURI

The "Clipper" Cleaners with Traveling Brushes



Our traveling Brush device is the simplest, strongest and best made. Strong fibre brushes are made to travel back and forth across the under side of the screens, thoroughly brushing them and freeing the perforations from any grain or seed with which they may become clogged, making it impossible for the meshes to fill up.

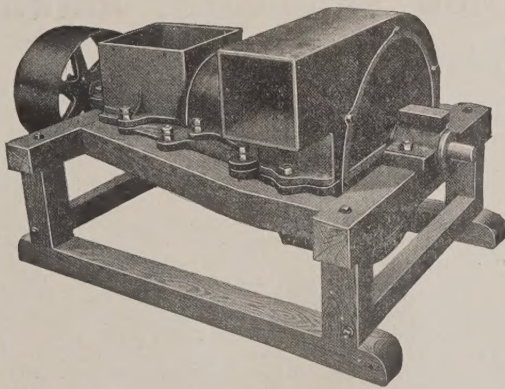
Any man who has used a Cleaner or Separator knows that the meshes or perforations in the lower screen soon become clogged so that it is necessary to "scrape" or "pound" the screen in order to clear the perforations. Our Traveling Brushes keep the screens clear all the time, and make the capacity and work of the machine uniform.

With a machine not equipped with the Traveling Brushes it is often necessary to keep one man in constant attendance when cleaning a dirty run of stock, to keep the screens clear and insure satisfactory work.

The advantages of using one of our machines equipped with Traveling Brushes is apparent: The quality of the work is improved; the capacity of the machine is increased; the cost of operation is reduced, and one has the satisfaction of knowing that he has the best that money can buy.

Catalogue with prices and full description upon application.

A. T. FERRELL & CO., Saginaw, Michigan



The New Ohio Corn Sheller

PATENT PENDING

Four ways of discharging your grain:
Right and left hand, over and under.

Screw-knocker feed.

Made in sizes capacity 300 to 1,000
bus. per hour. The best made Sheller
on the market.

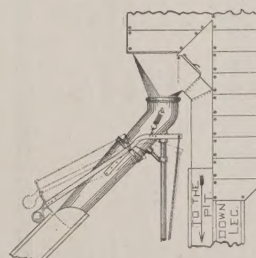
Drags, Cleaners, Passenger Elevators,
Dumps, Heads, Cast Iron Boots; every-
thing for an elevator. Write

The Philip Smith Manufacturing Co.
SIDNEY, OHIO

THE PEERLESS Automatic Distributing Spout

WITH THE

Peerless Automatic Head Hopper



Distributes all the grain all the time. Mixing grain when distributing it is impossible. Scattering grain when distributing it is impossible. Sending grain down the back leg is impossible. It fits in place of any other spout. It operates the same as other spouts. It uses the same indicator as other spouts. Any other spout works with the Head Hopper.

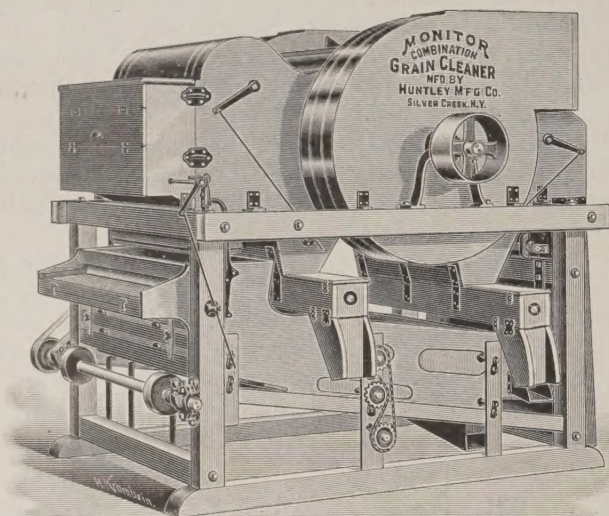
IT WILL SERVE 14 BINS

The Distributing Spouts are sold together with the Head Hopper or separate.

Write for Circulars and Prices

Peerless Grain Spout Co.
505 Commonwealth Ave.
Detroit, Michigan

This machine will clean barley, wheat or flax better than an ordinary warehouse separator.

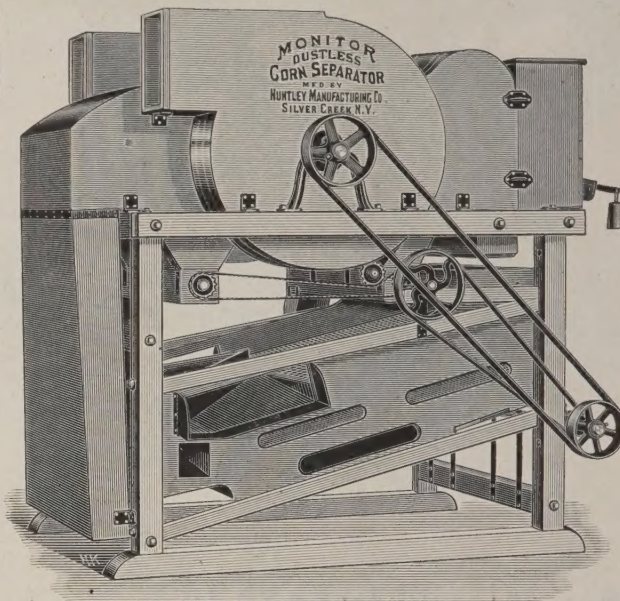


If you desire a separator for cleaning wheat, flax or barley—doing good work, with a reasonable capacity—look into the merits of this machine.

Special folder sent for the asking

The Monitor Corn Cleaner (shown below) will take shelled corn, etc., from shellers and clean it satisfactorily for shipment.

SEND FOR CIRCULAR



Here's what one user says of the Special Corn and Grain Separator, another Monitor leader:

Winchester, Ind., U. S. A., January 23, 1907.
HUNTLEY MFG. CO., Silver Creek, N. Y.

Gentlemen:—Beg to inform you that we have started the Special Corn and Grain Separator, which you built for our Chesterfield house, and assure you that it is everything that you claim for it. We are now operating five of your separators, and every one of them is giving the very best satisfaction, but we think the last one has some advantages over the others. We have had very little trouble with corn grading this fall, and believe it is due to the fact that where our houses are not equipped with your separator we have been running our corn to Winchester and cleaning it over your machine here. We certainly recommend these separators to anyone who wishes a combined cleaning machine.

Very truly yours,

GOODRICH BROS. HAY & GRAIN CO.

Send for circular of this machine

The entire Monitor line, embracing Oat Clippers, Smutters and Scourers, Seed Cleaners, Flax Separators, is detailed in our catalogue, which we shall be glad to send you

HUNTLEY MFG. CO., Silver Creek, N.Y.

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